

**ALYESKA PIPELINE SERVICE  
COMPANY  
COVERT OPERATION**

**REPORT**

**OF THE**

**COMMITTEE ON  
INTERIOR AND INSULAR AFFAIRS**

**OF THE**

**U.S. HOUSE OF REPRESENTATIVES**

**ONE HUNDRED SECOND CONGRESS**

**SECOND SESSION**



**JULY 1992**

**PART IV**

**APPENDIX—MINORITY EXHIBITS 1-44**

**Printed for the use of the  
Committee on Interior and Insular Affairs**

**U.S. GOVERNMENT PRINTING OFFICE**

**WASHINGTON : 1992**

57-913

## COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

### HOUSE OF REPRESENTATIVES

GEORGE MILLER, California, *Chairman*

PHILIP R. SHARP, Indiana	DON YOUNG, Alaska, <i>Ranking Republican Member</i>
EDWARD J. MARKEY, Massachusetts	ROBERT J. LAGOMARSINO, California
AUSTIN J. MURPHY, Pennsylvania	RON MARLENEE, Montana
NICK JOE RAHAL II, West Virginia	JAMES V. HANSEN, Utah
BRUCE F. VENTO, Minnesota	BARBARA F. VUCANOVICH, Nevada
PAT WILLIAMS, Montana	BEN BLAZ, Guam
BEVERLY B. BYRON, Maryland	JOHN J. RHODES III, Arizona
RON de LUGO, Virgin Islands	ELTON GALLEGLY, California
SAM GEJDENSON, Connecticut	ROBERT F. SMITH, Oregon
PETER H. KOSTMAYER, Pennsylvania	CRAIG THOMAS, Wyoming
RICHARD H. LEHMAN, California	JOHN J. DUNCAN, Jr., Tennessee
BILL RICHARDSON, New Mexico	RICHARD T. SCHULZE, Pennsylvania
GEORGE (BUDDY) DARDEN, Georgia	JOEL HEFLEY, Colorado
MEL LEVINE, California	CHARLES H. TAYLOR, North Carolina
WAYNE OWENS, Utah	JOHN T. DOOLITTLE, California
JOHN LEWIS, Georgia	WAYNE ALLARD, Colorado
BEN NIGHTHORSE CAMPBELL, Colorado	RICHARD H. BAKER, Louisiana
PETER A. DeFAZIO, Oregon	
ENI F.H. FALEOMAVAEGA, American Samoa	
TIM JOHNSON, South Dakota	
CHARLES E. SCHUMER, New York	
JIM JONTZ, Indiana	
PETER HOAGLAND, Nebraska	
HARRY JOHNSTON, Florida	
LARRY LAROCCHIO, Idaho	
NEIL ABERCROMBIE, Hawaii	
CALVIN M. DOOLEY, California	
ANTONIO COLORADO, Puerto Rico	

DANIEL P. BEARD, *Staff Director*  
RICHARD MELTZER, *General Counsel*

DANIEL VAL KISH, *Republican Staff Director*  
DAVID DYE, *Republican General Counsel*

D. LEE FORSGREN, *Republican Counsel on Lands and Forestry*  
CATHERINE WILSON, *Republican Counsel*  
CHRISTINE KENNEDY, *Republican Clerk*

## MINORITY EXHIBIT LIST

### PART IV

	Page
1. Wellington Note to Black, dated February 22, 1990 (F2R401739).....	2379
2. Wellington Memo to Black, dated February 23, 1990 (F2R402002) .....	2380
3. Wellington Memo to Black, dated February 23, 1990 (F2R401745) .....	2381
4. Wellington Letter to Black, dated February 28, 1990 (F2R401879) .....	2382
5. Anchorage Daily News, "Fisherman Takes on Alyeska," February 21, 1988 (F2R402003-5) .....	2383
6. Alyeska Security Case Report by Wellington, dated November 24, 1987 (F2R401695-705).....	2386
7. Iversen Memo to Wellington re Proprietary Information Leak, dated February 22, 1990 (F2R401733).....	2397
8. Black Memo to Wellington re Review of Stolen Attorney/Client Documents in Hamel's Possession, dated May 16, 1990 (F2R445112-7) .....	2398
9. Scott Hearing Transcript, pp. 1100-1114.....	2404
10. Davis Memo to Wellington dated May 29, 1990 (F2R414739-741).....	2419
11. GDI facsimile cover sheet to Lund and Black, undated (F2R401687) .....	2422
12. Davis Letter to Black, dated May 23, 1990 (F2R401689-690).....	2423
13. Davis Letter to Black attaching bill for professional services rendered and Activity Report for 5/23/90, dated May 23, 1990 (F2R401693-694) .....	2425
14. Code Classification Slip re physical surveillance and trash cover, dated May 30, 1990 (F2R415200).....	2427
15. GDI Activity Report, dated May 30, 1990 (F2R401681).....	2428
16. Affidavit of George Wackenut, dated November 19, 1991 .....	2429
17. Two pages of transcript from surveillance video dated August 18, 1990 (F2R416393-4).....	2430
18. Black Memo to Wellington re Claim of Custody—Legal Documents, dated August 19, 1990 (F2R413219).....	2432
19. Daily Activity Report, dated August 20, 1990 (F2R415476).....	2433
20. Jordan letter to Chairman Miller, dated November 20, 1991 .....	2434
21. Aspland letter to Chairman Miller, dated November 20, 1991 .....	2446
22. Warner letter to Chairman Miller, dated November 19, 1991 and Elmer Letter to Chairman Miller, dated November 20, 1991 .....	2449
23. BP background paper, undated .....	2453
24. Scott Hearing transcript, pp. 595-600 .....	2455
25. Congressional Record—House, February 27, 1986, H671 .....	2461
26. Improved transcript of June 21, 1990, tape of meeting with Hamel (F2R416182-218).....	2462
27. Improved transcript of August 15, 1990, tape of Ecolit answering machine tape (F2R416220-21).....	2500
28. Improved transcript of August 16, 1990, Ecolit's Miami answering machine tape (F2R416223).....	2503
29. Improved transcript of August 18, 1990, tape of meeting at Hamel's home and elsewhere (F2R416225-68).....	2505
30. Note on Improved transcript of August 18, 1990, tape of meeting at Hamel's home and elsewhere (F2R416270).....	2550
31. Improved transcript of August 18, 1990, tape of meeting at Hamel's home and elsewhere (continued) (F2R416272-95).....	2552
32. Improved transcript of meeting at Hamel's home and elsewhere (continued) (F2R416297-350).....	2577
33. Improved transcript of August 18, 1990, tape of meeting at Ecolit office (F2R416351-392).....	2631

	Page
34. Improved transcript of August 18, 1990, tape of Black describing documents received from Hamel (F2R416393-4) .....	2673
35. Improved transcript of August 19, 1990, tape of meeting at Ecolit office (F2R416396-422).....	2676
36 Improved transcript of August 19, 1990, tape of lunch at Howard Johnson's (F2R416423-28).....	2703
37. Improved transcript of August 23, 1990, tape of meeting at Ecolit office (F2R416430-64).....	2710
38. Improved transcript of August 23, 1990, tape of meeting at Ecolit office (continuation) (F2R416465-77) .....	2745
39. Improved transcript of August 23, 1990, tape of meeting at Ecolit office (F2R416479-97).....	2759
40. Improved transcript of August 24, 1990, tape of Sherree Rich delivering check and documents to Hamel (F2R416499-510).....	2779
41. Improved transcript of August 30, 1990, tape of meeting at Ecolit office (F2R416512-41).....	2792
42. Improved transcript of August 30, 1990, tape of meeting at Ecolit office (continuation) (F2R416543-54) .....	2823
43. Improved transcript of August 30, 1990, tape of conclusion of meeting at Ecolit office (F2R416556-74) .....	2836
44. Improved transcript of August 30, 1990, tape of telephone conversations (F2R416576-80).....	2856

**Alyeska Pipeline**  
SERVICE COMPANY

To: Wayne Black  
From: J.P. "Pat" Wellington  
Date: 2/22/90

Wayne

Mr. Hamel is the person  
who is getting our information

Pat

Minority Exhibit 1

F2R401739

**Alyesku pipeline**  
SERVICE COMPANY

To: Louise Blank

From: J.P. "Pat" Wellington

Date: 2/23/90

This gal has been a real pain to the ass. She is very active in all Alyeska issues. Right now is spending a lot of time in our State Capital working the Legislature.

I think she is also receiving information from us.

Pat

**Minority Exhibit 2**

F2R402002

**Alyeska pipeline**  
SERVICE COMPANY

To: Wayne Black  
From: J.P. "Pat" Wellington  
Date: 2/23/90

Letter From Mr. Hamal  
To Robert Harder  
Vice Chairman BP

Note his remarks about  
having early information  
regarding Oil Spill Drill

Pat

**Minority Exhibit 3**

**F2R401745**

**Alyeska pipeline**  
SERVICE COMPANY

1935 SOUTH BRAGAW STREET, ANCHORAGE, ALASKA 99512. TELEPHONE (907) 279-1611. TELEX 080-35-127

February 28, 1990

Mr. Wayne Black  
The Wackenut Corporation  
1500 San Remo Avenue  
Coral Gables, Florida 33146-3009

Dear Mr. Black:

I've enclosed additional information that should further assist you in becoming more knowledgeable concerning our operation and situation here in Alaska.

I look forward to seeing you at 9 a.m. on Wednesday, March 7, 1990.

Sincerely yours,

  
James P. Wellington  
Manager, Corporate Security

Enclosure

Minority Exhibit 4

F2R401879

F2R402003

SECTION

# Sunday Business

Sunday, February 21, 1968

Anchorage Daily News

By PATTI EPLER  
Daily News reporter  
The Brooks Brothers types in the front row already had put away their briefcases when Riki Ott stepped up to the microphone.

A small gathering of technocrats, private consultants and company henchmen had spent the morning telling each other the same things they'd been telling each other for nearly three years — that

## Fisherman takes on Alyeska

there are or aren't environmental problems at Alyeska Pipeline Service Co.'s oil shipping terminal in Valdez. The government and industry representatives had never heard of Ott. But the slender, brown-haired woman in blue jeans and a red sweater quickly got their full attention.

"I am here as a

scientist," Ott recalled later. "You should have seen the looks on their faces." Since that debut three months ago, Ott has become a whirlwind and outspoken champion of the commercial fishermen who make their living from the waters of Prince William Sound. Armed with

scientific expertise that equals, if not exceeds, the knowledge of state and federal environmental officials as well as Alyeska and its consultants. Ott is elevating the fisherman's three-year fight against Alyeska to a new level, one that government officials and the company are finding hard to ignore.

"I think she is a person to be taken seriously," said Al

See Page C4, OTT



Daily News file photo

Find Out

## OTT: Cordova fisherman takes up waste disposal battle against Alyeska Pipeline

Continued from Page C-1

others who were interested in Alyeska.

"The whole reason I wanted to become a resident of Alaska was that Alaska was still relatively clean, but still an environmental vacuum," he said. "She has good credentials and (her statements) are technically sound in my opinion."

In recent weeks, Ott has been the lunchroom speaker at chamber of commerce meetings in Cordova and Valdez, appeared on radio talk shows and lectured in school classrooms. Earlier this month in Juneau, she lobbied legislators and staffers on the need for a closer look at Alyeska.

"I really feel like I've stepped into my niche," Ott said in a recent interview.

"After the hearing, I could've just stepped back. But people started calling me, like the guys from DEC and

tants, reports the company argues proves the facility is operating just fine and no environmental damage is occurring.

The Cordova District Fishermen's United, which more than a decade ago successfully challenged construction of the trans-Alaska pipeline on environmental grounds, joined the fracas soon after the state-level investigation began and urged stronger controls on Alyeska.

But the fishing group lacked technical advisers and mainly echoed complaints raised by a Virginia oil broker, Charles Hame, who has been a vocal critic of Alyeska and its operations.

Since 1994, the EPA and the Alaska Department of Environmental Conservation have been investigating allegations of pollution at the Valdez crude-oil terminal. Regulators at first were hampered because they had little knowledge of Alyeska operations even though they were supposed to have been watching over the facility for years. As the investigation progressed, Alyeska delayed wastewater discharge from Alyeska's oilblast water treatment plant. The new permit

replaces one that expired in 1983. About that same time, Ott, who with her partner had just about finished her third summer of commercial salmon fishing in Prince William Sound, decided to run for the board of the Copper River Fishermen's Cooperative. She campaigned on the grounds that the fishermen need an environmental perspective, but not necessarily an environmental priority, she said.

She won a seat on that board and, in the fall, approached the CDFU to join its group. Until then, Ott said, she hadn't told anyone in the fishing industry of her academic background.

"I just wanted to be taken for a fisherman," she said. "But I decided maybe it's time for me to offer my education to help the fishermen." Ott credits her seat for environmental issues — and her willingness to fight for those

ideals — to her father, a 1960s-era environmental advocate.

Frederick Ott — "Riki" is short for Frederick — was a principal fund-raiser and driving force in the 7-year battle that resulted in a nationwide banning of the pesticide DDT about 20 years ago. The elder Ott went on to become a co-founder of the Environmental Defense Fund, today one of the country's largest and most influential environmental organizations.

Riki recalls a Wisconsin childhood filled with outdoor adventures and trips down rivers and streams. She focused on the grounds that the fishermen need an environmental perspective, but not necessarily an environmental priority, she said. She won a seat on that board and, in the fall, approached the CDFU to join its group. Until then, Ott said, she hadn't told anyone in the fishing industry of her academic background.

"That was when I realized I was in a position where I could make a difference. I realized I had to do something or these guys were going to get away with murder."

When CDFU officers found

See Page C-4, OTT

## OTT: Fisherman takes up the cause against Alyeska

Continued from Page C-3

them so we could feel those birds dying."

Now, her principal field of expertise is sediment toxicology; Ott's dissertation outlined a laboratory testing method to determine the toxicity of sediments — a method that was in part the basis for a now-standard lab test, she said.

She attended undergraduate school in Maine, majoring in biology and geology, the closest things to marine biology offered at the school, she said.

One summer, she spent six weeks on an academic Mediterranean cruise. One of the teachers was a visiting scientist named Byron Morris, who took a special interest in Ott and another student because of their interest in his field of oil pollution. Later, in 1975, they worked for him as research assistants at the Bermuda Biological Station.

Morris is now with the National Marine Fisheries Service and stationed in Anchorage. He said he's seen Ott once since that summer in Bermuda, and that was just in recent weeks.

"I think she's top notch," he said. "Her opinion is as valid as anyone's. And I trust the university's judgment that they don't give away Ph.D.'s for free."

After graduation from college, Ott received a fellowship to study oil pollution abroad. She spent six months in England on one project and traveled to Malta on another.

She returned to the University of South Carolina for her master's degree. There she developed an affinity for windsurfing — which was best, she said, during hurricane warnings when the seas were 14 feet off Myrtle Beach and the wind whipped up to 50 mph.

In 1980, Ott said, she decided to go to the University of Washington for her doctorate mainly because she thought she'd like to see the Pacific Northwest. She studied for four more years and wrote a 300-page dissertation on "emphipod sediment biocenosis."

She took a job as an environmental consultant with a private firm but "I hated being in rooms with windows that wouldn't open."

At a boat show in Seattle, she met someone who invited her to crew on a salmon-fishing boat in Alaska. So she came north and became a commercial fisherman.

Ott, 33, and her partner own and operate a 27-foot bow picker, the Ambergry, earning enough, she said, to make the boat payments and take winters off.

Ott believes that discharging millions of gallons of oily wastewater into Port Valdez every day for the last 10 years has not been without consequence.

Alyeska and EPA point to scientific studies — paid for by the company — that have documented only small amounts of hydrocarbons in the sediments and say the studies show no environmental damage has occurred.

But Ott thinks regulatory agencies should be alarmed that any sediment contamination has been discovered. That means Port Valdez is already the victim of chronic, low-level pollution — contamination that needs to be stopped before it gets worse, she said.

The CDFU and other opponents of the Alyeska plant think it likely things will get worse as the production of North Slope crude oil increases; it's soon to be more than 2 million barrels a day consistently. The existing

treatment plant was designed to handle tanker traffic necessary to ship only about 1.5 million barrels of oil a day to Lower 48 refineries, according to state environmental officials and the CDFU.

The state wants Alyeska to build more crude oil holding tanks and more ballast water treatment tanks so the oily wastewater won't be rushed through the system so fast it doesn't have time to receive adequate treatment.

Ott and CDFU also are challenging a new treatment method — called a biological treatment system — that Alyeska is using and that EPA has fashioned the new permit around. The fishermen think the biological system is inadequate for the Alyeska plant and would rather see the company install a more advanced system used by other oil companies in the United States, a system EPA determined would cost Alyeska about 2 cents per barrel to operate.

The fisherman hope to convince EPA and DEC to establish an independent test monitoring group to oversee Alyeska's operations. They envision a group of scientists, oil industry officials and citizens looking at technical data to decide if operations are polluting the environment. Now, state federal watchdog agencies rely on Alyeska to conduct it of itself and tell the agency if permit violations or pollution is occurring.

"I think they can operate safely," Ott said. "I definitely think (fish and oil) can co-exist."

But, she said, plants like Alyeska's anywhere else in the world are monitored much more closely. Other oil industry facilities "wouldn't get away with the stuff they (Alyeska) are getting away with now, but they know the system."

A safe environment "is not going to happen unless we yell and scream."

F2R402005

727  
CONFIDENTIAL

## ALYESKA SECURITY CASE REPORT

ALYESKA CASE NO. 8-13-4-9

REPORT DATE: 11/24/87

CASE TITLE: PROPRIETARY INFORMATION LEAK

REPORTED BY: J.P. WELLINGTON, MANAGER, SECURITY OTHER CASE NO: N/A

## SYNOPSIS:

Mr. Charles Hamel, who resides in Maryland, has reportedly quoted conversations of Alyeska management people to the press even though the conversation was privately held between the Alyeska personnel in Anchorage. He also reportedly has released information from Alyeska memorandums which were "in house" correspondence.

In an effort to determine if calls were being made to Mr. Hamel from an Alyeska telephone, the telephone calls made to Maryland and Virginia from Alyeska were checked for 1987. One number known to belong to Mr. Hamel, 703-549-0515, was checked, however no calls to this number was found.

Three hundred and five calls were made from Alyeska in 1987 to Virginia and Maryland. The calls were made from 73 different Alyeska telephones to 109 different phone numbers.

## CASE STATUS

DATE OPENED: 11/24/87 BY: R.B. Iversen *MR*

DATE CLOSED: 01/06/88 BY:

## CONCLUSION REMARKS:

Calls of over six (6) to any number in Maryland or Virginia were checked and a review of the results did not turn up any obvious caller to Mr. Hamel.

dba

## SECURITY CASE REPORT SUPPLEMENTAL

ALYESKA CASE NO.: 8-13-4-9

OTHER CASE NO.: N/A

NOVEMBER 24, 1987

## CASE TITLE: PROPRIETARY INFORMATION LEAK

**ACTIONS TAKEN:** Telephone printouts were received from Scada for all calls placed to, the State of Maryland and Virginia for 1987 from Alyeska telephones. These printouts were printed; 1) by number calling out; 2) by number called and 3) by date and time of call. Roughly 305 calls were made to 109 different telephone numbers from 73 different Alyeska telephones.

Run down of most frequently called numbers are as follows:

Most called number: 703-849-4512 - 30 calls.

All of these calls were through the FAX Modem - Bragaw Message Center, extensions 8611. and 8614.

Second most calls: 301-657-8644 - 28 calls.

Calls were made from the following extensions:

3000 - G. Nelson	3375 - H. Brelsford
3221 - A. Smith	6422 - W. Howitt
3281 - L. Volmar	8435 - I. Henman
3282 - T. Poate	8437 - R. Mikkelsen
8568 - Legal Conference Room	

Third most calls: 301-840-2121 - 18 calls.

Calls were made from the following extensions:

8337 - Jim Tracy/CTML	8610 - Bragaw Message Center/GS
8743 - Robert Moseley/Scada	8876 - Jim Cole/Scada

Fourth most calls: 703-264-8100 - 16 calls.

Calls were made from the following extensions:

8187 - William Rhyme/S&C	8765 - Sheri Levine/S&C
--------------------------	-------------------------

Fifth most calls: 703-949-1000 - 15 calls.

6362 - Scada Switch Valdez	6445 - Scada Techs. Cyr4Osborne
8227 - Lynn Martin/CTML	8329 - Vivian Springer/CTML
8337 - Jim Tracy/CTML	

Sixth & Seventh most calls: 301-252-8220 & 301-948-4232 14 calls each.

to: 8220 as follows:

8185 - George Kinkle/CTML	8227 - Lynn Martin/CTML
8322 - Rodger Flint/CTML	8339 - Robert Haskell/CTML

to: 4232 as follows:

8321 - Jerold Everard/Scada	8337 - Jim Tracy/CTML
8500 - Scada Trouble Desk	8743 - Robert Moseley/Scada
8876 - Jim Cola/Scada	

Eighth most calls: 301-587-7824 - 06 calls.

8329 - V. Springer/CTML	8332 - J. Jernigan/CTML
8579 - L. Senseney/ER	

Ninth most calls: 301-459-1784 - 07 calls.

8418 - Karen Chamberlin/84C

Tenth most calls: 301-942-8229 - 06 calls.

8221 - A. Smith/Legal	3959 - S. Dietrich/Admin.
6536 - J. Nelson/Valdez	8368 - M. Voight/OPLS

Total Calls 156

The above telephone calls made up a little over half the telephone calls to Maryland and Virginia in 1987.

The remaining numbers called were made to different numbers and not more than five calls to any one of these numbers.

Attached are the following:

1. Calls out by number calling
2. Calls sorted by number called
3. Calls sorted by date/time

dba

F2R401697

*Hand File*

For your information, operators of your Crude Oil Topping Plant (COTP) differ significantly with your version of operations of the facility and its satellite Surfcoat Storage Pad. For example, I have statements from a COTP Supervisor and two Operators each of whom insist that they were required to reroute crude past the flow meters upon which you rely. Obviously, this conduct results in a substantial understatement of the true flow volumes required for Alaska Severance Taxes, State Royalty payments and proper accountability to the Prudhoe Bay Unit Owners.

As for your statement that "...BS&W measurements are conducted for any water in the two streams", COTP personnel state that management required COTP Operators to dispose of water used to "water-wash" the facility by injecting it into the crude/residual flow to the TAPS. ARCO/EXXON's potable water supply appears to command ANS crude oil prices. . . truly windfall profits! In fact, one Supervisor attests to personally training the TAPS Topping Unit Technicians (from Pump Stations 6, 8 and 12) in the "water-wash" and injection procedures.

Additional continuing violations of Federal and State environmental regulations and statutes at these facilities

Means, Mr. Eldon L.  
April 22, 1988  
Page two

revealed by my investigations cause grave concerns as to  
trusting EXXON as my General Partner, Lease Operator and  
self-monitor of the EXXON NBN Alaska Ltd. drill sites.

Very truly yours,

*Charles Hamel*  
Charles Hamel

cc: Mr. J. W. Thacker  
Chevron, U.S.A.

Mr. Don Smiley  
EXXON, Washington

Mr. Lodwick Cook  
Chairman  
ARCO

Mr. Robert Norton  
Chairman  
BP North America

Mr. Darrel Warner  
Chairman  
ALYESKA Owners Committee

David Barmak, Esquire

F2R401699

JAN 15 1980 WED 2:11 CHARLES HAMILTON, JR., VA 2405

## MEMORANDUM

## STATE OF ALASKA

TO: Larry Dietrick  
Director  
ADEC/BQ

RE: Pete McGee *for*  
R.E.S.

FROM: Paul Bateman *for*  
Programs Manager  
ADEC/NRO

DATE: December 21, 1989

FILE NO: Correspondence

TELEPHONE NO: 452-1714

SUBJECT: Pipeline Coord.  
Office Update

## SPCO:

Shortly after the "moth-balling" of the ANGTS pipeline project the State Pipeline Coordinators Office (SPCO) has consisted of one person, Kyle Cherry. Kyle's job has been primarily to handle DNR's lease commitments relative to the TAPS lease. With the resurgence of activity on the TAPS pipeline, DNR has appointed Jerry Brossia as State Pipeline Coordinator to oversee TAPS, TAGS, ANGST and other common-carrier pipelines. DNR Commissioner Gorsuch circulated a memo dated 11/27/89 naming Jerry to the position and outlining his duties. Her name also requests the commissioners of the other pertinent agencies to name liaisons to work with Jerry in the SPCO. The interaction of agencies in the SPCO is to be in accord with the Governor's Administrative Order 104.

Jerry has opened his Anchorage office (762-2483) and has held an initial meeting with the agencies (12-15-89; Pristoe attended) to define his role and what he sees for the agency liaisons. He is looking at liaisons being range 22's with staff as necessary to represent their respective departments. Jerry sees the initial duties of the SPCO to be oversight of the TAGS engineering economics analysis work for the next two years, oversight of the TAPS reroute on the north side of Atigun Pass, and coordination of the TAPS pipeline C-plan review.

## TAGS:

Yukon Pacific is planning to conduct an engineering economics analysis of the TAGS line during the next 3 to 3.5 years. They will be doing center-line surveying, aerial photography, center-line borings, etc to define construction nodes for the line. It is anticipated that the next 3 to 6 months will be spent putting together the scope of work and project schedule.

F2R401700

## TAPS:

Reroute: APSC has identified an area of concentrated corrosion problems generally between check valves 29 and 30 (MD 157.1 to MD 168.5) in the Atigun River floodplain. They evaluated three options: Repair the line in place, reroute the line out of the floodplain as much as possible, rebuild adjacent to the existing line but elevate in problem areas. They have opted to reroute the line out of the floodplain as much as possible and to maintain the buried route but to use shallow rather than deep burial. They are looking at construction startup in the spring of 91 with three to four months required for actual construction.

C-Plan: TAPS Right of Way Lease stipulation 2.14.3 requires APSC to update and submit their pipeline contingency plan to the SPCO annually for his written approval. Following Exxon-Valdez revealed problems with the terminal c-plan DNR initiated a linewide review of the pipeline c-plan to be sure the same problems didn't exist on the TAPS. Some identified deficiencies were corrected and both were mutually agreed (APSC and DNR) to be deferred pending a major review and upgrade of the TAPS c-plan. APSC, DNR and BLM formed a pipeline c-plan review committee in June 1989. They have been holding bi-weekly meetings since and DEC began attending these meetings on 12/1/89. Thirteen subcommittees have been formed to carry out tasks associated with the review of the plan. We have been invited to name DEC representatives to serve on these subcommittees. As of the 12/15 meeting, the TAPS C-plan committee schedule called for submittal of a complete draft of the revised plan to the agencies for review.

A problem has arisen as a result of the DEC letter to APSC regarding the need for DEC approval of the C-plan. APSC is now backing off until the "state" decides what the procedure will be for approval of the c-plan. Jerry and I have been discussing this problem and we propose the following solution.

A DNR/DEC MOU will be written identifying the SPCO as coordinator of the state review of the TAPS C-plan. DEC will be responsible for the technical review and approval of the plan. I would hope to see the c-plan approval letter signed by DEC and sent to APSC under a cover letter signed by the SPCO. It should be possible to quickly draft a MOU based on Admin. Order 104, to satisfy the concerns of all parties and the legal requirements of AS 46.54 and the TAPS lease. I assume that it will be necessary for Commissioner Kelsee to sign such an interagency MOU.

Please call me if you have any comments or questions.

cc: A. Nyle  
 D. Easton  
 L. Kent  
 R. Rice  
 B. Lemoine  
 B. Fristoe  
 J. Janssen

F2R401701

was called last Friday. Technicians searched the line for a 20-foot piece of black plastic shoring. Extreme weather caused damage in some areas, but the "spill" was found at Remote Gate Valve (RGV) 80 by personnel from Pump Station 9. The spill was from a leaking flange on the bypass at RGV 80 and the message at the site said it was 150 barrels per hour (bbl/h) and 3000 feet of snow had been affected. Arnold Lincoln, P & CM Supervisor at Pump Station 9, devised a strategy to respond to the spill once it was found. As a result, modifications have been made to the computerized reporting system developed by Wayne Wilson, Pump Station 9 Supervisor. Reconnaissance activities were coordinated from the Emergency Response Center in Anchorage by Kea Peacock, Operations Support Manager, and the overall drill was managed by H.F. Alexander, Pipeline Superintendent.

**AN IN-HOUSE RISK MANAGEMENT AUDIT FOLLOW-UP** was conducted at all pump stations November 13 through December 12. The Audit Team consisted of Ross Dally, Pump Stations 3 and 4 Manager; Larry Flanigan, Pump Stations 5 and 6 Manager; Roland Reiswig, Fire Protection Supervisor; and Jesse Flores, Fire Protection Specialist.

The audit consisted of a complete facility walkthrough inspection, a review of records and procedures, and a follow-up of previously identified discrepancies. A detailed Facility Inspection Report was provided to and discussed with each local supervisor.

The audit team reports the majority of discrepancies and recommendations have been or are being corrected, and overall Pipeline facilities appear to be efficiently operated and maintained.

The 1988 and 1990 Owner Risk Management Audits and the 1998 Books and Costs Report were used as the primary references, against which this Audit Team assessed the Pipeline facilities and procedures. This report will assist pump station and operations management programs for the March 1999 Owner's Meeting.

2013 07101 06130 993 08129 886 910 101 251 391 474 760 130 101

F2R401702

## Alyeska Employees Receive Surprise Drill

By Pat Lyons  
**Editor, Valdez Pioneer**  
**ALYESKA** — Alyeska stepped its last system-wide oil spill drill of the year a week ago Saturday, with only mixed results.

The man in charge of overseeing the drill, Ken Peacock of the Anchorage Office was not entirely happy with the outcome.

The Valdez response to the drill was hampered by heavy, wet snow. Two snow machines broke down, one with a hydraulic problem, the other with fuel problems. "Our response was slower than usual this time," says Peacock.

Surprise

The drill, in this instance, involved some 120 Alyeska employees along the 200-mile pipeline. The surprise drill was declared at 7:29 a.m., at the Valdez terminal. That activated designated employees at the 12 pump stations to respond.

**machines from Pump Station 6**

near Delta, discovered the break when they were sent to survey the field, to avoid the crude temps of the pipeline in search of the problem.

**Helicopters**

The note explained that a bypass flange around a gland valve had sprung a leak of 150 barrels per hour. The note instructed the reconnaissance team to draw a scenario as to how to stem the leak, contain the spill and call for repairs.

**Not Happy**

Peacock monitored the exercise from the Alyeska emergency center in Anchorage. He was not entirely happy with the response, he said, particularly at Valdez and when the heavy snow made for tough and slow goin'.

**Alaska**

Alaska stages up to 10 spill

drills a year with five or six of

January 12, 1980 **Valdez Pioneer**

team actually requiring teams to go to the field, to avoid the crude temps of the pipeline in search of the problem.

In this case, says Peacock, serial surveillance by helicopters played no part. "This was a test of our field crews," he says. By chance, officials from the U.S. Bureau of Land Management and the Alaska Department of Natural Resources were in the Alyeska office in Anchorage at the time. They monitored the exercise along with Peacock.

Appropriate state and federal agencies were also alerted to the drill to give their field crews the option of participating, says Peacock.

JAN-31-90 WED 2107 CHARLES HAMEL ALEX. VA 2002

VIA FAXPat WellingtonMEMORANDUM

JANUARY 26, 1990

TO: MR. ROBERT NORTON  
VICE CHAIRMAN  
BRITISH PETROLEUM

FROM: CHARLES HAMEL

FILE

HANES

Although you refused to see me during your stint in Cleveland I did manage to "reach" you last Saturday. The writer of the TV script was my house guest in Valdez during the "spill" and as other house guests from the U.S. Congress gained different insights into ALYESKA, and its relationship to the "spill".

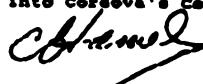
Prior to my requests to meet with you in Cleveland, I had relayed to the Coast Guard Valdez Commandant and to Juneau Headquarters, ALYESKA Terminal Technicians' warnings that ALYESKA was incapable of deploying a spill response crew to the sound in any timely, orderly fashion, let alone promptly. The Admiral's response to me is "it is none of your business...let the technicians deal with ALYESKA management".

Presently, we're new leadership team at ALYESKA appears to be convincing the Government Agencies and the public "that the old ways went out the door with George Nelson". However, it appears that the "old ways" are still in vogue...lying and cheating as concerns Oil Spill Contingency Plans and the environment.

I learned (documented proof) of the December 29th "surprise drill" (attach 1 and 2) 24 hours in advance and monitored the preparations as dozens, repeat dozens, of "assigned response team" and outside contractor employees were assembled 24 hours earlier...relieved of their normal terminal duties ... and commenced shoveling out their snow buried response vehicles, where they had been abandoned in disarray prior to the first snowfall; unplugged heating units, dead batteries, etc. The details rival the Thompson Pass/March 24th blunder. The Federal and State Contingency Plan Committee officials (attach 3, para 8) were suitably impressed, as two of them acknowledged to me the following week, Mr. Norton, this fraudulent set-up of Government Officials was premeditated!

Since December, I have been monitoring another environmental incident which was also willfully and falsely reported to the Government by your Management. Documented proof should be enroute to me within days and we will again confront ALYESKA Management as we did on the "surprise drill". Dr. Riki Ott of Cordova is especially concerned as the Terminal's pipeline Spill Response sector includes not only the salmon spawning creeks above Valdez harbor but also the higher elevations extending into Cordova's Copper River and flats.

cm:hm



F2R401704

2013-10-07 00:30 2013-07-05 00:30

10.731 3M15W 7011:3 00:30

## MEMORANDUM

TO	SUBJECT	
J. P. WELLINGTON	PROPRIETARY INFORMATION LEAK	
FROM	DATE	FILE NO.
R.B. IVERSEN <i>h.</i>	FEBRUARY 22, 1990	

It has been evident the past three years that proprietary information from within Alyeska Pipeline Service Company has been provided to members of the press and to adversaries involved in litigation with the Company.

We have looked at several cases of reported proprietary information leaks such as noted in Security Cases 8-13-A-9, 8-2-A-46 and 8-13-A-11.

Case 8-13-A-9 (Reported November 24, 1987): Mr. Charles Hamel, a resident of Maryland, reportedly quoted conversations of Alyeska Management people to the press even though the conversations were privately held between Alyeska personnel in Anchorage. Mr. Hamel also reportedly released information from Alyeska memoranda which were in-house correspondence.

Case 8-13-A-11 (Reported May 1988): Proprietary information (simplified diagrams of the ballast treatment system) provided to trustees for Alaska, dated January 30, 1988.

Case 8-2-A-46 (Reported October 1989): Alyeska manuals recovered from ABC Towing Company. Manuals were left in an impounded vehicle. Box of manuals was addressed to Mr. Chuck Hamel, Trustees for Alaska, 725 Christenson Drive, Suite 4, Anchorage, Alaska 99501-2101. Box was sent to Mr. Hamel by U.S. Environmental Protection Agency. Check with EPA indicated that the manuals were sent to them by Mr. Hamel and they returned them to him. The owner or driver of the vehicle had no connection to Alyeska.

In January 1990, BBC Television presented a documentary program on a BP Oil Terminal in Scotland. During the program, an in-house memorandum was shown on the screen relating to the recent Valdez oil spill.

Efforts to date have been unsuccessful in attempting to determine the source of the proprietary information leak. Attachments to the memorandum include excerpts from the case files on information compiled to date.

Attachments

F2R401705

## MEMORANDUM

TO		SUBJECT	
J. P. WELLINGTON		PROPRIETARY INFORMATION LEAK	
FROM		DATE	FILE NO.
R.B. IVERSEN <i>hi</i>		FEBRUARY 22, 1990	

It has been evident the past three years that proprietary information from within Alyeska Pipeline Service Company has been provided to members of the press and to adversaries involved in litigation with the Company.

We have looked at several cases of reported proprietary information leaks such as noted in Security Cases 8-13-A-9, 8-2-A-46 and 8-13-A-11.

Case 8-13-A-9 (Reported November 24, 1987): Mr. Charles Hamel, a resident of Maryland, reportedly quoted conversations of Alyeska Management people to the press even though the conversations were privately held between Alyeska personnel in Anchorage. Mr. Hamel also reportedly released information from Alyeska memoranda which were in-house correspondence.

Case 8-13-A-11 (Reported May 1988): Proprietary information (simplified diagrams of the ballast treatment system) provided to trustees for Alaska, dated January 30, 1988.

Case 8-2-A-46 (Reported October 1989): Alyeska manuals recovered from ABC Towing Company. Manuals were left in an impounded vehicle. Box of manuals was addressed to Mr. Chuck Hamel, Trustees for Alaska, 725 Christenson Drive, Suite 4, Anchorage, Alaska 99501-2101. Box was sent to Mr. Hamel by U.S. Environmental Protection Agency. Check with EPA indicated that the manuals were sent to them by Mr. Hamel and they returned them to him. The owner or driver of the vehicle had no connection to Alyeska.

In January 1990, BBC Television presented a documentary program on a BP Oil Terminal in Scotland. During the program, an in-house memorandum was shown on the screen relating to the recent Valdez oil spill.

Efforts to date have been unsuccessful in attempting to determine the source of the proprietary information leak. Attachments to the memorandum include excerpts from the case files on information compiled to date.

## Attachments

Minority Exhibit 7

REPORT OF INVESTIGATION  
SPECIAL INVESTIGATIONS DIVISION

TO: PAT WELLINGTON  
FROM: WAYNE B. BLACK  
DATE: MAY 16, 1990  
RE: REVIEW OF STOLEN ATTORNEY/CLIENT DOCUMENTS  
IN HAMEL'S POSSESSION

---

The following was dictated from the ECCO Pizzaria next to Hamel's house.

As I reviewed documents that Chuck Hamel allowed me to review and tape record while he and Rick Lund ordered a meal.

The first document is an Alyeska Pipeline Service Company document that appears to be on letterhead from the Anchorage Office at 1835 Bragaw Street, Anchorage, Alaska 99512. It has the telephone number and the telex at the top. The document is dated May 26, 1989, and is addressed to a group of lawyers.

A paragraph starts at the bottom of the page. The lawyers names are A.S. Tabor, E.A. Pace, G.E. Davis, A.G. Melas, P.S. Bilgore, J.R. Kinzer, and R.A. Johnson, who at that time was apparently Chief Counsel, BP pipeline. The letter is from Alfred T. Smith, General Counsel. The letter starts:

THIS DOCUMENT IS ATTORNEY/CLIENT PRIVILEGE

Minority Exhibit 8

F2R445112

Page 2  
Pat Wellington  
May 16, 1990

"Dear Legal Subcommittee Members: Herewith and ana of legal memoranda prepared by Gibson, Dunn, and Crutcher or subjects of import to the defense of Alyeska and owner companies and from claims arising out of the Exxon, Valdez oil spill. As additional memoranda are generated, we will continue to update those volumes. Of particular note, the memorandum on [

] is anticipated June 12th."

Inside this document is a memorandum dated May 22, 1989. Under the date is number T-01207-00001. The memorandum is directed to Charles C. Ivie from Cheryl D. Justice regarding inventory of legal research. In the lower left hand corner of page 2 of this memo are the numbers (0624n). This document is 3 pages long and is copied to Robert S. Warren, Esq. and Robert W. Lowen, Esq. The last paragraph on page 3 of this document is on going research. It has two paragraphs number 22 and 23.

Number 22 is [

]

Following that there is a blank page followed by an April 6, 1989, memorandum to Larry L. Simms, Esq. from Philip H. Rudolph, re [ ] This memo

THIS DOCUMENT IS ATTORNEY/CLIENT PRIVILEGE

F2R445113

Page 3  
Pat Wellington  
May 16, 1990

which sites cases is approximately 7 pages long. At the lower left hand corner of page 7 are the words Lawp:0352x.

This documents contains several other memos as follows: One dated April 7, 1989, serial number T-01207-0001, to Larry Simms from James Doda, re: [ ] This memo is approximately 14 pages and was distributed Larry Simms, Richard Dashefsky, Robert A. McConnell, Philip Rudolph, David A. Paine, Scott B. Bolinger, Lory Wilkerson and James Doda. There are numerous other memos that I don't have the time to review right now. Most are to Simms, one is from Scott B. Bolinger, regarding [ ]

An April 18, 1989, memorandum from Richard Brener to Robert S. Warren, Esq., regarding [ ]

A May 18, 1989, memorandum from Thomas Piccone to Pamela A. Ray, Esq., regarding [ ]  
-  
] It should be noted that this document as well as some of the others are marked Privileged and Confidential. There is also an attorney work privileged indication.

THIS DOCUMENT IS ATTORNEY/CLIENT PRIVILEGE

F2R445114

Page 4  
Pat Wellington  
May 16, 1990

There are also Gibson, Dunn and Crutcher memoranda to Robert S. Warren and Charles C. Ivie. The aforementioned documents are in the one package with the May 26th cover letter and are approximately an inch and a half thick.

The second pack of documents are stamped confidential. This is a memorandum from Thomas M. Piccone to Robert S. Warren, dated June 23, 1989, regarding [

]

The third set of documents is dated June 25, 1989. Under the date there is a serial number T 01207-001. This memorandum is marked confidential. It is to Robert S. Warren, re: [

]

This document is approximately 11 pages long. In the lower left hand corner near the typist initials or where they should be there is LA:91511i, under that there is an SF:3177P.

The next group of documents is a memorandum to Robert S. Warren, dated June 28, 1989, Re: [

]

This is a 62 page document which sites case law and discusses theory. In the lower left hand corner of this document there is (0835N).

THIS DOCUMENT IS ATTORNEY/CLIENT PRIVILEGE

F2R445115

Page 5  
Pat Wellington  
May 16, 1990

The next document is a June 29, 1989, to Robert S. Warren and Charles C. Ivey from Document Review Team, Re: [

"] This memorandum is marked on each and every page at the bottom, Privilege-Attorney Work Product. This document is approximately 53 pages long with an addendum entitled [

]

A June 29, 1989, memorandum to Robert S. Warren, Re: [

"] This memorandum also has an introduction and is 84 pages long. It is also work product privileged. There are control numbers on the lower left hand corner of some of these pages indicating (1141n) the 83rd page has 1167n as does the 84th page.

The final document provided for review, but not copied by Hamel is entitled Attorney Work Product Privilege and Confidential. The title of the document is actually [

]

THIS DOCUMENT IS ATTORNEY/CLIENT PRIVILEGE

F2R445116

Page 6  
Pat Wellington  
May 16, 1990

[ ] This document has a table of contents and basically  
talks about

WBB:jl  
427.v

THIS DOCUMENT IS ATTORNEY/CLIENT PRIVILEGE

F2R445117

1100

1                   MR. JORDAN: Your Honor, I'm prepared to begin  
2 cross-examination, but because of some of the new entries  
3 with respect to the telephone information, at some point  
4 we will need an opportunity to talk to Ms. Hodgson about  
5 that before I address that part of the cross-examination.

6                   JUDGE TURECK: I assume you'll be going longer  
7 than a half hour or 40 minutes?

8                   MR. JORDAN: I think very likely, Your Honor.

9                   JUDGE TURECK: Okay, so somewhere along the line  
10 we'll have our morning break.

11                   CROSS-EXAMINATION

12                   BY MR. JORDAN:

13                   Q     Mr. Hamel, you discussed this morning with  
14 Ms. Garde the documents which you said you had on one  
15 occasion shown to Dr. Wayne Jenkins.

16                   JUDGE TURECK: Excuse me. Let me interrupt you  
17 right here before you get really started.

18                   MR. JORDAN: Yes, sir.

19                   JUDGE TURECK: You haven't moved the admission  
20 of CX-33. Do you intend to do that?

21                   MS. GARDE: I think we could do that with this  
22 witness. I apologize. Yes.

23                   I move admission of CX-33.

24                   MR. JORDAN: CX-33?

25                   MS. GARDE: yes.

Heritage Reporting Corporation  
(202) 628-4888

Minority Exhibit 9

1 MR. JORDAN: No objection.

2 JUDGE TURECK: It's admitted into evidence,  
3 then.

4 (The document referred to,  
5 having been previously  
6 marked for identification,  
7 was received in evidence as  
8 Complainant's Exhibit  
9 No. 33.)

10 MS. GARDE: Thank you for bringing that to my  
11 attention.

12 JUDGE TURECK: I'm sorry, Mr. Jordan.

13 MR. JORDAN: No, that's no problem.

14 BY MR. JORDAN:

15 Q Mr. Hamel, in response to questions from  
16 Ms. Garde this morning, you described some documents,  
17 which I think you referred to as Gibson, Dunn & Crutcher  
18 documents, and I believe you said that on one occasion you  
19 showed -- at a restaurant you showed Mr. or Dr. Wayne  
20 Jenkins the cover page of those documents, is that  
21 correct?

22 A Correct.

23 Q And on a subsequent occasion you relinquished  
24 the possession of those documents briefly to Dr. Wayne  
25 Jenkins. is that correct?

Heritage Reporting Corporation  
(202) 628-4888

1           A    That's correct.

2           Q    How long did you release them for, do you  
3   recall?

4           A    A few days.

5           Q    And then you -- they were returned to you at  
6   that point in time?

7           A    They were being scanned, I understood, into  
8   their computer system.

9           Q    But the question is were they then returned to  
10   you.

11          A    Yes.

12          Q    Okay. And do you still have them?

13          A    I can't find them.

14          Q    Pardon?

15          A    I can't find them.

16          Q    But they were returned to you?

17          A    I'm sure they were. Or I gave my full set. I  
18   don't know. I don't recall.

19          Q    What was the approximate -- about how many  
20   individual documents were involved in this group, can you  
21   recall?

22          A    I can only tell you about over an inch thick.

23          Q    So would this be in the order of several hundred  
24   pages?

25          A    Surely, yes.

1 Q Okay. Did any of these documents bear markings  
2 such as attorney-client privilege or attorney work  
3 product?

4 A I think they had attorney-client privilege.

5 Q You referred to them as Gibson, Dunn & Crutcher  
6 documents. How did you know that they were Gibson, Dunn &  
7 Crutcher documents?

8           A     Because they said so, some of them. I can't  
9     remember who -- all of them. but I remember Gibson, Dunn &  
10    Crutcher was one of the law firms involved.

11 Q Now, prior to the time that you initially showed  
12 these documents to Dr. Wayne Jenkins, had you had a chance  
13 to read the documents yourself?

14 A Only as a layman. I read them at least once and  
15 read through many parts I didn't pay attention to.

16 Q So you were reading what were essentially legal  
17 documents from a layman's point of view, is that correct?

18 A That's correct.

19 Q Can you tell me the general subject matter, and  
20 I'm asking only for the general subject matter and not for  
21 anything further because of concerns with respect to the  
22 privilege, the general subject matter of these documents.  
23 Was there one particular subject matter that was central  
24 to all of them?

25 A Yes. They involved the Exxon Valdez spill and

Heritage Reporting Corporation  
(202) 628-4888

1        Alyeska's, if I recall, involvement and responsibilities  
2        and defense.

3            Q        Did they involve in general terms questions  
4        about potential liability?

5            A        I recall it started by one area of discussing  
6        back during the legislation what the lobbyists promised  
7        Congress and so on and went forward from there.

8            Q        And that was one of the documents, I take it?

9            A        Well, I'm no expert. I just recall reading this  
10        in sequence.

11            Q        Are you familiar with the litigation arising out  
12        of the Exxon Valdez oil spill?

13            A        Am I familiar with it?

14            Q        Yes, sir.

15            A        Yes. I know there is, yes.

16            Q        Do you know at that time in the spring of 1990,  
17        spring and summer of 1990, approximately what the  
18        magnitude of the claims were that were addressed against  
19        Alyeska and the owner companies with respect to that  
20        spill?

21            A        Well, I recall only that the settlement for  
22        Exxon and at the time the first settlement with Exxon and  
23        Alyeska combined was a billion dollars.

24            Q        Did that settlement occur after the date that  
25        you showed these documents to Dr. Jenkins?

Heritage Reporting Corporation  
(202) 628-4888

1           A    I can't recall.

2           Q    When you talk about the settlement, you're  
3   referring to the settlement with the State of Alaska and  
4   the United States Department of Justice.

5           A    That's correct.

6           Q    And are there still pending other claims not  
7   involving the State of Alaska and the Department of  
8   Justice but involving class actions and the like with  
9   respect to the Exxon Valdez oil spill?

10          A    Yes.

11          Q    And do you have any idea what the magnitude of  
12   the claims are in those class actions?

13          A    No, I don't.

14          Q    And their terms?

15          A    But I'm sure that it's substantial.

16          Q    Do you think it would be in the hundreds of  
17   millions of dollars?

18          A    Surely.

19          Q    Mr. Hamel, how did you come to have these  
20   documents?

21            MS. GARDE: Your Honor, I object and ask to  
22   approach the bench.

23            JUDGE TURECK: Okay.

24            (Whereupon, a brief recess was taken.)

25            (Continued on the next page.)

Heritage Reporting Corporation  
(202) 628-4888

1                   JUDGE TURECK: Back on the record.

2                   Mr. Hamel, do you want to please get your  
3                   microphone back on?

4                   THE WITNESS: Okay.

5                   JUDGE TURECK: Okay, you can proceed.

6                   BY MR. JORDAN:

7                   Q     Mr. Hamel, the documents we've just been  
8                   discussing before we had the bench conference with Judge  
9                   Tureck, did you receive those documents from anyone who  
10                   was in management, including the Legal Department of  
11                   Alyeska Pipeline Service Company?

12                  MS. GARDE: Your Honor, I object to that  
13                  question. Alyeska has spent virtually a decade trying to  
14                  identify Mr. Hamel's sources, and I don't think that any  
15                  questions raised by Alyeska in connection with trying to  
16                  identify where Mr. Hamel got any documents is a legitimate  
17                  line of inquiry in this case, and I would implore upon the  
18                  Court to not allow Alyeska to use this forum to identify  
19                  people who have entrusted their confidences to Mr. Hamel.

20                  MR. JORDAN: Your Honor, my question is in the  
21                  nature of a negative question. It's not seeking the  
22                  identity of the source. I'm trying to exclude certain  
23                  sources who might have been -- whose release of these  
24                  documents to Mr. Hamel, if they were the ones who released  
25                  them, might have a bearing on attorney-client privilege

Heritage Reporting Corporation  
(202) 628-4888

1       status of those documents because it could be treated as  
2       an authorized released. And I really have a series of  
3       three questions that are designed to address that sort of  
4       negative approach rather than the positive approach of the  
5       question I asked just before we had the bench conference.

6               JUDGE TURECK: Okay. Based on the  
7       representations made to me during this bench conference,  
8       I'll overrule the objection and permit you to proceed with  
9       this brief line of questioning.

10               BY MR. JORDAN:

11               Q       Mr. Hamel, do you have the question in mind?

12               A       I'm --

13               Q       I understand. the first question was the  
14       documents that we have been referring to, did you receive  
15       those from anyone in the management, including the Legal  
16       Department of the Alyeska Pipeline Service Company?

17               A       I did not.

18               Q       Did you receive them from anyone associated with  
19       the law firm of Gibson, Dunn & Crutcher?

20               A       I did not.

21               Q       Did you receive them from anyone associated with  
22       the management or the -- including the legal departments  
23       of the seven owner companies of the TransAlaska Pipeline  
24       System, and I believe you know who those seven are, but  
25       I'll enumerate them for you if you wish?

Heritage Reporting Corporation  
(202) 628-4888

1           A    No, but I would wish you would repeat that  
2   question.

3           Q    Okay. Did you receive this document from anyone  
4   associated with the management, and I include in that the  
5   legal departments, inside counsel, if you will, of any of  
6   the seven owner companies in the TransAlaska Pipeline  
7   System?

8           A    No.

9           MR. JORDAN: Thank you, Your Honor, for  
10   permitting me to pursue that.

11           BY MR. JORDAN:

12           Q    During the time that you had these documents in  
13   your possession, did you offer access to them to anyone  
14   else other than to Dr. Wayne Jenkins?

15           A    I told others about them, yes.

16           Q    And who were those others?

17           A    I told a member of the -- Ken Adams of the  
18   fishermen's plaintiffs group. I told one of the attorneys  
19   for the Justice Department, and I told -- I think I told  
20   Doug Baily or someone in his staff.

21           Q    When you refer to Mr. Baily, are you referring  
22   to him in his status as Attorney General of the State of  
23   Alaska?

24           A    Yes.

25           Q    So it's the Attorney General's Office really of  
                  Heritage Reporting Corporation  
                  (202) 628-4888

1 the State of Alaska you're referring to.

2 A Right.

3 Q Now, Ken Adams -- is Ken Adams a lawyer?

4 A He's an attorney.

5 Q And where is he located?

6 A Washington, D.C.

7 Q With the law firm of?

8 A Dickstein, Shapiro.

9 Q And Moran?

10 A Moran.

11 Q How about anyone in the State Department of  
12 Environmental Conservation we've been referring to as ADEC  
13 here?

14 (Pause.)

15 A No, I don't believe so.

16 Q The Justice Department attorney, what division  
17 of the Department of Justice was that?

18 A It was the Justice Department attorney who --  
19 the Justice Department purchased our software for use  
20 presumably in this case, and during a meeting with them  
21 when they were looking at the software, I told them about  
22 it.

23 Q Was that someone from what was at that time I  
24 think called the Lands and Natural Resources Division?

25 A I apologize for not remembering names. I can

Heritage Reporting Corporation  
(202) 628-4888

1 give you an address, and I think that will help.

2 Q Okay.

3 A It wasn't at the main Justice Building. It was  
4 down across from the Archives or down in there somewhere,  
5 on Pennsylvania Avenue.

6 Q Pennsylvania Avenue close to the Archives.

7 A Yes.

8 Q Okay. How about the United States Environmental  
9 Protection Agency? Did you offer them to anyone there?

10 A No.

11 MS. GARDE: Your Honor, I object to the  
12 characterization of the question. I think the line of  
13 questioning before was regarding that he told them --

14 MR. JORDAN: I apologize.

15 MS. GARDE: -- of the offer.

16 MR. JORDAN: That's a valid --

17 BY MR. JORDAN:

18 Q Did you tell anyone at the United States  
19 Environmental Protection Agency about it?

20 A Don't recall.

21 Q Did you tell any other attorneys involved in the  
22 Exxon Valdez litigation other than Ken Adams?

23 (Pause.)

24 A I don't know who I talked to up here except in  
25 Doug Baily's office, whoever was working on that case.

Heritage Reporting Corporation  
(202) 628-4888

1111

1 I may have told them that I had the documents.

2 Q That was a poor question. Let me rephrase it.

3 Did you tell any other outside counsel for

4 private parties involved in the Exxon Valdez litigation

5 other than Ken Adams about these documents?

6 A I don't recall telling anyone else, no.

7 Q Did you know a gentleman who was associated with  
8 The Scottish Eye program?

9 A Yes.

10 Q What is his name?

11 A Well, there's several of them. The people who  
12 were talking to me -- one was Jonathan Wills and a BBC  
13 colleague of his. I can't remember the name offhand.

14 Q Okay. Did you tell Jonathan Wills about these  
15 documents?

16 A I may have. I don't recall. I talked to  
17 Jonathan an awful lot during that period.

18 (Continued on the next page.)

19

20

21

22

23

24

25

Heritage Reporting Corporation  
(202) 628-4888

1       Q    At the time you showed these documents to the  
2   person you thought was Dr. Wayne Jenkins, do you recall  
3   how long you'd had them? I think we've established that  
4   was probably mid July?

5       A    I don't recall.

6       Q    A couple of weeks or a couple of months?

7       A    I don't recall.

8       Q    Now, that series of questions had to do with  
9   whom you had talked to about these documents. With any of  
10   the people you've indicated you talked to, did you offer  
11   to make the documents available to them?

12      A    Yes.

13      Q    With all or just some? Did you offer to make  
14   them available to each of the people you talked to or just  
15   to some?

16      A    I -- refresh my memory. I also told Jeff  
17   Petrick, the chairman -- the interior committee chief  
18   counsel, that I had those documents.

19      Q    Okay. Adding Mr. Petrick to the list now, my  
20   question is in addition to telling people about these  
21   documents, did you offer to make them available either  
22   turn them over to them or to let them examine them?

23      A    I -- in each case, before I even had an  
24   opportunity, I think, to offer it to them they all said  
25   well, that's something I can't look at so I can only

1       describe it to you in that form.

2           Q     Okay. So each of these individuals said to you  
3     I can't look at that kind of document.

4           A     That's correct.

5           Q     Okay. Then let me ask you this: apart from  
6     showing them to Wayne Jenkins and at one time making them  
7     available to Wayne Jenkins, have you ever made those  
8     documents available to anyone else since you've had them?

9           A     No, not that I recall.

10          Q     Do you think you would recall if you had?

11          A     Well, if I gave them to anyone I certainly would  
12     and I didn't give them to anyone and I don't recall  
13     offering them except I said I had them and everyone,  
14     because of their circumstance, were not interested in even  
15     talking about it.

16          Q     Now, Jonathan Wills. Are you including him in  
17     the category of people --

18          A     Well, Jonathan -- I just don't recall. I know  
19     it's been published and he published parts of those  
20     documents on TV, BBC did, his program. I don't know where  
21     he got them.

22          Q     Does Jonathan Wills --

23          A     He didn't get them from me.

24          Q     Does Jonathan Wills stay at your home on  
25     occasion when he visits the Washington, D.C. area?

Heritage Reporting Corporation  
(202) 628-4888

1           A    He's never been to Washington, D.C.  To my  
2 knowledge.

3           Q    And the current state of the documents is that  
4 you're not able to find them currently?

5           A    I'm missing a few things.

6           Q    Are you missing any of the documents that you  
7 contend were furnished to you by Mr. Scott?

8           A    I was told by Wackenhut agents that Mr. Black,  
9 Jenkins, whatever, had taken documents from my home and  
10 boasted that I would be very surprised that I'm missing a  
11 lot of things that I'm looking for.  So now I have an  
12 answer to every time I can't find anything, I figure he  
13 took it.

14          Q    And that beats blaming it on your filing system,  
15 right?

16          A    Well, I'm told he carried it out in his clothes  
17 and the other party with him in their clothes and  
18 briefcase fulls, so that covers a lot of material.

19            MR. JORDAN:  I'm about to shift gears, Your  
20 Honor, another subject.  I don't know where you are in  
21 terms of your break.

22           JUDGE TURECK:  Let's keep going.

23           MR. JORDAN:  Keep going for a while?  Okay.

24           BY MR. JORDAN:

25          Q    Mr. Hamel, as I understand it, your problems

Heritage Reporting Corporation  
(202) 628-4888

REPORT OF INVESTIGATION  
SPECIAL INVESTIGATIONS DIVISION

TO: PAT WELLINGTON  
FROM: GERALD DAVIS  
DATE: MAY 29, 1990  
RE: 427

---

On May 23, 1990, a surveillance and trash cover was instituted at 101 Quay Street, Alexandria, Virginia by Investigator Gerald Davis. At approximately 9:15 p.m., subject and a female believed to be his wife were observed placing several trash bags at the edge of his driveway curb. There were approximately seven (7) small white plastic shopping bags that contained a brown paper bag full of local newspapers.

At approximately 9:30 p.m., subject was observed leaving his residence with two dogs and walked down the street and crossed over into the park where he started walking and talking with two unidentified males. A visual surveillance was made for any type of surveillance vehicles or personnel that might have been in the area. None was observed.

At 9:45 p.m., this writer and an associate drove by and took two (2) bags of trash which was discovered to be newspapers.

THIS DOCUMENT IS ATTORNEY/CLIENT PRIVILEGE

Minority Exhibit 10

F2R414739

Page 2  
Pat Wellington  
May 29, 1990

At approximately 10:01 p.m., subject was observed walking back to his residence and stopped in front of his next door neighbor's residence and continued to talk to his two male companions.

At approximately 10:17 p.m., subject was observed going into his residence through the garage door and left the light on in the garage. The two companions appeared to go into the house next door to subject's residence when he went inside his residence.

At 10:20 p.m., this writer and associate not noticing anything threatening or suspicious drove by subject's residence and secured two (2) large bags of trash. It was observed that there were approximately 4 or 5 large dark colored bags of trash and approximately seven (7) small white plastic bags of trash.

Upon examination of the large trash bags only one bag had anything other than household garbage. It appeared that the articles sent on 5/14/90 were strategically placed on the top of the household trash in an obvious fashion.

THIS DOCUMENT IS ATTORNEY/CLIENT PRIVILEGE

F2R414740

Page 3  
Pat Wellington  
May 29, 1990

Throughout this operation no counter surveillance was observed.  
A local police car was seen cruising the Main Street next to the park during a 3 1/2 hour period.

GD:j1  
427.11

THIS DOCUMENT IS ATTORNEY/CLIENT PRIVILEGE

F2R414741



**GERALD DAVIS  
INVESTIGATIONS**

**FACSIMILE TRANSMISSION COVER SHEET**

LOG #

Date

Reference/  
P.O. #

TO: WACKENHUT (Company Name)

305-662-7382 RCK LUND or WAYNE BLACK (Attention)

Dept.

FROM: GDI  
Gerald Davis Investigations  
8081-Bayley Land Highway, Suite 300  
Columbia, SC 29204-1145

301-290-3945

(Fax #)

Number of pages (includes this sheet) 5

TIME 7:47 PM

Please call immediately if this transmission is not received complete or anything is not clearly legible.

301-290-5929

(Telephone number)

(Extension)

(Offices)

**MESSAGE:**

Minority Exhibit 11

F2R401687



May 23, 1990

Wayne S. Black  
 Director  
 Special Investigations Division  
 Mackenbut Corporation  
 1500 San Remo Avenue  
 Coral Gables, Florida 33146-3009

Dear Wayne,

On May 23, 1990, a surveillance and trash cover was instituted at 101 Quay Street, Alexandria, Virginia. At Approximately 9:15 PM, subject and a female believed to be his wife were observed placing several trash bags at the edge of his driveway curb. There were approximately seven (7) small white plastic shopping bags that contained a brown paper bag full of local newspapers.

At approximately 9:30 PM, subject was observed leaving his residence with two dogs and walked down the street and crossed over into the park where he started walking and talking with two unidentified males. A visual surveillance was made for any type of surveillance vehicles or personnel that might have been in the area. None was observed.

At 9:45 PM, this writer and an associate drove by and took two (2) bags of trash which was discovered to be newspapers.

At approximately 10:01 PM, subject was observed walking back to his residence and stopped in front of his next door neighbor's residence and continued to talk to his two male companions.

At approximately 10:17 PM, subject was observed going into his residence through the garage door and left the light on in the garage. The two companions appeared to go into the house next door to subject's residence when he went inside his residence.

At 10:20 PM, this writer and associate not noticing anything threatening or suspicious drove by subject's residence and secured two (2) large bags of trash. It was observed that there were approximately 4 or 5

Minority Exhibit 12

F2R401689

9801 Broken Land Pky. • Suite 300 • Columbia, MD 21046 • (301) 230-5229 • Fax: (301) 230-6265

Letter to Wayne B. Black  
May 23, 1990  
Page Two

large dark colored bags of trash and approximately seven (7) small white plastic bags of trash.

Upon examination of the large trash bags only one bag had anything other than household garbage. It appeared that the articles sent on 5/24/90 were strategically placed on the top of the household trash in an obvious fashion.

Throughout this operation no counter surveillance was observed. A local police car was seen cruising the Main Street next to the park during a 3½ hour period.

Sincerely,

Gerald Davis

GD:pn

P.S. I did not initial the items sent on 5/24/90. Please advise if you want me to initial and date them by return mail.

F2R401690



DATE: May 23, 1990

TO: Wayne B. Black  
Director  
Special Investigations Division  
Wackenhut Corporation  
1500 San Remo Avenue  
Coral Gables, Florida 33146-3009

RE: Charles Hammel  
101 Quay Street  
P.O. Box 389  
Alexandria, Virginia 22314

FOR PROFESSIONAL SERVICES RENDERED:

6.15 Hours at \$45.00 Per Hour x 2 .....	\$565.00
2½ Hours at \$45.00 Per Hour .....	112.50
228 Miles at .35 Per Mile .....	79.80
5/18/90 Postage .....	12.00
5/23/90 Postage .....	12.00
<b>TOTAL AMOUNT DUE .....</b>	<b>\$781.30</b>

All invoices are payable upon receipt.  
I appreciate your patronage.

Minority Exhibit 13



## ACTIVITY REPORT

Caption: CHARLES HAMEL  
101 Quay Street, P.O. Box 389, Alexandria, Virginia 22314

Date	
5/23/90	
6:00 PM	Depart Baltimore to pickup Rental Car at BWI Airport.
9:15 PM	Arrive at 101 Quay Street, Alexandria, Virginia. Immediately upon arrival observed subject and female setting out several bags of trash, some coming out through the garage and others from around the back of the house.
9:30 PM	Subject was observed walking two dogs accompanied by two male companions.
9:45 PM	Two bags of trash were picked up. Examination of contents show they were filled with old newspapers.
10:01 PM	Subject was observed walking back to his residence and stayed outside of his next door neighbor's residence where he talked to his two companions that were walking with him in the park.
10:17 PM	Observed subject go into his residence through the garage door and left the light on in the garage and his two companions appeared to go into the house next to subject's.
10:20 PM	Picked up two large garbage bags. It was observed that there were approximately seven (7) white plastic shopping bags filled with newspapers and 4 or 5 large garbage bags.
10:20 PM	Departed Alexandria with no indication of any detection or surveillance of this operation.
5/24/90	
12:15 AM	Arrive Baltimore Office.
9:15 AM	Processing trash.
10:00 AM	Processing of trash completed.
4:00 PM	Sent Fax and Express Mail to Rick Lund.
4:30 PM	Completed.
5:00 PM	Leave office in route to BWI Airport to return Rental Car used in this operation.
6:15 PM	Return to Office.  A second associate was used for surveillance and trash cover in this operation.

F2R401694

## **Minority Exhibit 14**



## ACTIVITY REPORT

Caption: CHARLES HAMEL

Date	
5/30/90	
8:45 PM	Leave Baltimore Office enroute to Alexandria, Virginia.
10:15 PM	Arrive 101 Quay Street, Alexandria, Virginia.
10:18 PM	Conducted a physical surveillance on foot of the 100 Block of Quay Street and surrounding area.
10:47 PM	The writer and an associate secured one bag of trash from the driveway of 101 Quay Street.
10:47 PM	Depart Alexandria, Virginia.
5/31/90	
1:15 AM	Arrive Baltimore Office.
8:00 AM	Start inventory of contents of trash bag obtained at 101 Quay Street, Alexandria, Virginia on May 30, 1990.
10:15 AM	Complete inventory and initial pertinent items and called Rick Land, and write report.

A handwritten mark, possibly a signature or a code, is written in black ink within a roughly oval-shaped outline. The mark appears to be a stylized letter 'M' or the number '2'.

Minority Exhibit 15

F2R401881

APPENDIX OF GEORGE WASHINGTON

STATE OF FLORIDA )  
ss:  
COUNTY OF DADE )

COMES NOW before me, the undersigned authority, the Affiant,  
GEORGE WACKENHUT, who first by me being duly sworn according to  
law, deposes and states:

I am the Chairman and Chief Executive Officer of the Wackenhut Corporation, located in Coral Gables, Florida. On November 5, 1991, I gave sworn testimony before the House Committee on Interior and Insular Affairs, which to the best of my knowledge, at that time, was truthful and accurate. Towards the end of my lengthy testimony, I was asked a question by Congressman DeFazio, about whether Wackenhut investigators intercepted and recorded calls placed by Charles Hamel on a cellular telephone, which I answered incorrectly. I hereby attest that I am not aware that any cellular telephone calls were intercepted or recorded by any Wackenhut investigator during the course of the Alyeska investigation.

## FURTHER AFFIANT SAYETH NAUGHT.

George Wackenbauer  
**GEORGE WACKENBauer**

Sworn to and subscribed before me  
this 19 day of November, 1991.

Darlene McElyea  
**NOTARY PUBLIC**

NOTARY PUBLIC STATE OF FLORIDA

My Commission Expires: MY COMMISSION ENDS JAN. 25, 1966  
SUPERIOR COURT GENERAL ISS. UND.  
06266-38 14321AFF:wp056  
11/19/91

Exhibit 23. August 18, 1990: Black describes documents received from Hamel  
Prod. no.: Video, F2R400343; audio, F2R411216.

[15 seconds inaudible]

MR. BLACK: We just returned from Hamel's house, where he gave his \_\_\_\_\_ here on the tape very quickly. These are the attorney-client work product, privileged documents, that he told me about earlier. We're going to put these in the computer, but I wanted to go on the tape and tell you what they're about.

The first one is a document to Robert S. Warren regarding [REDACTED]. And this is a document that has an introduction and a table of contents. This is one of the documents I saw before, and it talks about various things. It starts out with a chronology of pertinent facts, and goes on and it cites theory and Alyeska [sic] law, and a brief discussion of various statutes, federal and state, and it's a total of 84 pages in length.

The second document is a memo that's marked privileged, attorney work-product, at the bottom of all of the pages, and it's dated June 29th also. It's to Robert S. Warren and Charles C. Ivie from Document Review Team, and it goes on, and it talks about [REDACTED].

It says that this memorandum is a working memorandum for internal use by Gibson, Dunn & Crutcher. It also has a table of contents and it talks about [REDACTED]. At the end, it has an exhibit [REDACTED].

The third document is dated May 26, 1989. It's on Alyeska stationery. It looks like it's to several lawyers from Alfred T. Smith, general counsel of Alyeska, and this is a -- it appears to be a group of documents that are lumped together.

Some of these documents are on Gibson, Dunn & Crutcher memo stationery, and they're citing cases. Here's a memo to Pamela A. Ray, Esquire, from Thomas M. Picone, and it's regarding [REDACTED], as most of them in these stacks are marked privileged and confidential, attorney work product.

This document is I don't know how many pages long, but it's -- this one is fairly thick, as you can see. And the last page of one of the memos attached in this packet is from Cheryl D. Justice with copies to Robert S. Warren, Charles Ivie, and Carlos Goodman.

The fourth batch -- and we haven't separated these yet. This is the

exact way we got them from Hamel, with the - with the little clips, the fourth one is to Robert S. Warren from Thomas Picone regarding [REDACTED]. This is stamped confidential, and it's basically the same thing. It's a legal document. It quotes cases, quotes different laws, and it's internal, an internal document.

The next one is a memo to Robert S. Warren regarding [REDACTED], and this document is probably 62 pages long and it's also a legal, legal memoranda form.

The next one is marked attorney work product, privileged and confidential, and it's entitled [REDACTED]. And it says "Prepared for Alyeska Pipeline Service Company." And it talks about [REDACTED]. It has some diagrams and some drawings inside, and it is -- I don't know, approximately 30 pages in length.

The last document we obtained today is a memo to Robert S. Warren again, marked confidential, re [REDACTED]. \_\_\_\_\_ law again, \_\_\_\_\_ attorney type memo.

We're going to take these documents back to our hotel and copy the documents, and then tomorrow, when Hamel arrives for our meeting, we're going to be inputting these into the computer.

The time now is about 8:25 on the 18th. Okay.

[Pause]

Rick, you can shut it off, if you haven't already. We're just going to go back and copy them now.

[Pause]

[15 seconds inaudible before end of audio recording.]

REPORT OF INVESTIGATION  
SPECIAL INVESTIGATION DIVISION

TO: **PAT WELLINGTON**  
FROM: **WAYNE B. BLACK**  
RE: **CHAIN OF CUSTODY - LEGAL DOCUMENTS**  
DATE: **AUGUST 19, 1990**

---

On August 18, 1990 when the legal documents were given to us by Hamel, they were immediately taken to the undercover Ecolit office in the Century building where a VHS tape was made outlining the exhibits. They were then taken to the Crystal City Marriott where copies were made.

The originals were taken to the Ecolit office the following day and shown to Hamel in the presence of Vernon Johnson. See VHS tape for additional details.

WBB:cv  
427.32

**PRIVILEGED WORK PRODUCT INFORMATION**

Minority Exhibit 18

F2R419219

A-01-SPI01-35

## Daily Activity Report

Date 30 AUG 90 MON.

Name <u>V. JOHNSON</u>			SSN <u>261-84-3511</u>	Initials <u>VJ</u>	Approved
Class	Start	Stop	Total	Activity	Rate
437	9:00	10:45	1.75	Meeting with Lund/Rich	60
	10:45	12:15	1.50	Shipping tapes - Arranging mobile phone change	
	12:15	7:00	6.75	Picked up office supplies for 2nd w/c office. Picked up magazines and drama books. Reviewed security tapes. Set up office/ public relations.	
	7:00	9:00	2.00	Marked 7 documents for later identification with dot or line after 2nd character of last word on each page. Approx 500 ppgs.	
Expenses - <u>Hotel, phone, meals and parking</u> <u>VJ 154.34</u>					
				Magazine stand - Magazines for 2nd w/c office	17.00
				Dalton Bookseller - MS Works ref. book	26.07
				Miller Office - Pens, pencils, pads etc. for 2nd. w/c office	50.96
				Federal Express - Ship tapes (video) to Miami	30.00
				Executive Hardware - Padlock, hoop screwdriver drawer lock for 2nd w/c ofc	20.43
	2:40			Lunch	11.00
	10:30			Dinner - two investigators	47.00

Total Hours

12.0Hours Rate 1 \_\_\_\_\_  
Hours Rate 2 \_\_\_\_\_  
Hours Rate 3 \_\_\_\_\_

F2R415476

Minority Exhibit 19

**STEPTOE & JOHNSON**  
 ATTORNEYS AT LAW

PHOENIX, ARIZONA  
 CITIBANK TOWER

TELEPHONE: (602) 268-6810  
 FACSIMILE: (602) 274-1970

1330 CONNECTICUT AVENUE, N.W.  
 WASHINGTON, D.C. 20006-1796

(202) 429-3000  
 FACSIMILE: (202) 429-8204  
 TELEX: 66-2503

SAJ LEX INTERNATIONAL  
 AFFILIATE IN MOSCOW, U.S.S.R.

TELEPHONE: (011-7-066) 280-6775  
 FACSIMILE: (011-7-066) 625-0002

ROBERT E. JORDAN, III  
 (202) 429-6290

November 20, 1991

The Honorable George Miller  
 Chairman, House Interior and  
 Insular Affairs Committee  
 U.S. House of Representatives  
 Washington, D.C. 20515-6201

Dear Chairman Miller:

At the close of the Committee's November 4-6, 1991 oversight hearings, you stated that the record would remain open for receipt of additional materials from witnesses on matters raised in testimony before the Committee. During his testimony on Wednesday afternoon, Mr. Hamel made a number of environmental and oil quality allegations regarding Alyeska. On behalf of Alyeska, I am submitting the enclosed substantive responses to those allegations. Alyeska believes that as a matter of fundamental fairness this letter and the attached responses should be included in the printed record of the Committee's hearings.

I wish to emphasize that the enclosed materials respond only to the environmental and oil quality allegations raised by Mr. Hamel at the hearing. They are not meant to provide a comprehensive response to all of the various allegations regarding Alyeska identified from the transcripts of the tape recorded meetings between Mr. Hamel and Wackenhut investigators or allegations made by Mr. Hamel in various contexts over the years.

Sincerely,

  
 Robert E. Jordan III  
 Counsel for Alyeska  
 Pipeline Service Company

Enclosures

cc: The Honorable Don Young  
 Linda Chase, Esq.  
 David Dye, Esq. Minority Exhibit 20

**SUMMARY ALYESKA RESPONSES TO ENVIRONMENTAL  
AND OIL QUALITY ALLEGATIONS**

**Allegation:** That Alyeska knowingly accepted into TAPS oil that contained more water than permissible, and that Alyeska intentionally falsified its records in order to disguise that fact.

**Response:** In 1984, the Alaska Public Utilities Commission ("APUC") initiated a proceeding to investigate these charges, which were raised by Mr. Hamel in the context of a protest to a proposed tariff charge by one of the TAPS carriers. After a thorough review of the facts, the APUC's administrative law judge issued a 120-page decision in which it was found that Mr. Hamel's allegations were unsubstantiated. The APUC affirmed the dismissal of the protest, adopting the administrative law judge's finding "that current procedures for sampling and testing are not irregular in any way" (Docket No. P-84-2, Order No. 11, at 6 (APUC, January 12, 1989)). The APUC further found that there was "no evidence at all on the record . . . that samples taken at Pump Station 1 were unrepresentative of the oil entering the pipeline, either currently or at any time in the past." *Id.* at 8.

Alyeska maintains accurate crude, vapor and water inventory records, which shippers are free to audit. Indeed, the APUC referred in its opinion to the fact that at least one shipper had made a detailed examination of those records. Id. at 7.

Procedures are also followed at Valdez whereby any water above prescribed levels is isolated to tanks and removed from the system. Water will separate from crude oil residing in tankage for an extended period of time. Before the contents of a crude tank are loaded onto a vessel, it is Alyeska's practice to remove water from the tank if it has been undisturbed for more than one hour. The removed water is measured and routed to the ballast water treatment ("BWT") system for disposal in accordance with a process approved by EPA. At no time does Alyeska add water to the system except during scheduled tests of the crude tank firewater/foam system at the Valdez terminal.

**Allegation:** That Alyeska has polluted the Valdez Harbor by introducing "toxic sludge," including benzene, presumably through impermissible use of the BWT facility.

**Response:** The safe and lawful operation of the BWT system has been a priority of Alyeska at least since start-up. The regulations applicable to that system, and the procedures Alyeska, in conjunction with the vessel operators and the Environmental Protection Agency ("EPA"), has put in place, assure that improper materials are not introduced into the BWT system, and in turn discharged into the Valdez Harbor, in any harmful quantities.

Alyeska has assured the safe and lawful operation of the BWT system in a number of ways. Among other cautionary steps, under procedures now in effect hydrocarbon condensate does not enter the BWT system. A stipulation in Alyeska's National Pollutant Discharge Elimination System ("NPDES") permit, which became effective on May 31, 1990, prohibits the introduction of hydrocarbon condensate from the vapor recovery system to the BWT system. Although Alyeska

believed that the relatively minute amount of hydrocarbon condensate recovered would remain in the BWT floating oil phase, and thus be effectively removed in the system's crude oil removal processes, Alyeska nevertheless agreed to this permit provision. The hydrocarbon condensate is now routed to the incinerator fuel system and does not enter the BWT system. Water that is separated from the condensate is routed to the BWT system as specified in the system's Best Management Practices Plan ("BMPP"), which has been reviewed and approved by EPA and the Alaska Department of Environmental Conservation ("ADEC").

With respect to the material that does enter the BWT system, Alyeska has considered a wide variety of treatment processes, including sand filtration. In 1990, prior to finalizing the decision to construct concrete biotreatment tanks (which included a number of other upgrades and improvements), over 20 alternative technologies were considered. The final decision was based on proven treatment efficiency with similar wastewater, compatibility with other treatment processes within the BWT system, reliability and constructability, as well as relative cost.

Adaptability to future upgrades was another important consideration factor in the design of the new treatment units. The BWT system as currently designed and operated is capable of consistently meeting the new and much more stringent permit effluent limit of 1.3 parts per million BETX, as specified in Alyeska's most recent NPDES permit.

Simply stated, the selection of a wastewater treatment system to meet existing and future regulatory requirements is a highly complex task. While many other treatment technologies could serve in varying capacities to remove pollutants from ballast water, Alyeska's system was designed reliably to meet the effluent limits stated in the NPDES permit, while accommodating the flexibility needed for anticipated future upgrades.

The requirements placed on vessel operators likewise are designed to avoid the transfer of hazardous materials into the BWT system. Alyeska, in cooperation with the EPA, has gathered a great deal of data regarding usage of the BWT system, both from its own records and from the vessel operators. Alyeska has also met with

individual vessel operators to educate them as to the BWT requirements and to determine what changes can be made in vessel operations to reduce the potential for harmful substances entering the BWT system. Among other steps, Alyeska is requiring incoming tankers to hold engine room machinery liquids (e.g., oils, lubricants and fuel filter backwash) in separate tanks, and to combine any excess with the oil cargo being carried south, rather than deposit it into the BWT system. In addition, solvents used to clean electrical parts must be kept separate from bilge or ballast water, and may not be deposited into the BWT system.

More generally, any sludge formed within the system, or deposited into the BWT system, settles to the bottom of the primary settling tanks; oil recovered from the ballast water, on the other hand, forms the liquid surface in the tanks. There is no physical connection between recovered oil and sludge in the BWT system. When the tanks are periodically cleaned, the sludge is removed, dried and shipped to a disposal site in the lower-48 states.

On the regulatory side, in January 1985 the EPA initiated a formal request for information

regarding various aspects of the BWT system, including handling of sludge. The EPA proceeding resulted in a formal Compliance Order issued in late 1985, to which Alyeska agreed. In the summer of 1988, the EPA issued its final report "following a detailed investigation." The EPA's conclusion was that "no additional formal enforcement action against Alyeska is appropriate at this time. We arrived at this conclusion because the allegations could not be substantiated or have already been addressed by EPA and resolved by Alyeska . . . " A subsequent attempt by Mr. Hamel to raise the same or similar issues was dismissed by Mr. Hamel prior to a scheduled hearing.

A further EPA investigation and a separate ADEC investigation were initiated in February 1991. EPA's information request to vessel operators has been responded to, and the EPA investigation is still pending. ADEC concluded its investigation in September 1991 by issuing a report stating that allegations of dumping of hazardous materials from unknown sources into tankers' ballast water tanks were unfounded. The final report stated that "a

**careful review has found no evidence of unknown  
wastes finding their way into ballast water."**

Allegation: That Alyeska has vented hazardous hydrocarbon vapors into the air, causing a health and safety problem at the Valdez Terminal.

Response: There is no evidence that there is any significant safety or health concern due to the emission of vapors at Valdez. The system was designed and approved based on an assumed level of vapor emissions, and Alyeska has not exceeded those standards. Since the injection of natural gas liquids ("NGLs") began in 1987, there has been particularly close monitoring of vapor emissions on the mainline pipe, at the pump stations, and at Valdez, in compliance with applicable health, safety and environmental standards. Indeed, as Alyeska indicated in its December 15, 1988 response to an EPA information request, transportation of additional NGLs was anticipated from the time of pipeline construction and were built into the "allowable emissions" of the pipeline facilities. NGL injections were not cited by EPA in the July 1990 Notice of Violation.

Vapor losses have increased along the pipeline, as was reported to EPA in October 1989

in Alyeska's response to an EPA information request. This was attributable to such factors as an increase in throughput during this time frame, increased temperature of the crude oil, and the impact of pipeline throughput variations on the relief tanks.

It is not entirely clear, however, that the injection of NGLs has contributed to increased vapor emissions. Recent tests have suggested that vapor emissions from tanker loadings were essentially unaffected by the amount of NGLs in the crude oil stream. Alyeska has used an industry standard device to measure vapor pressure on-line, with back-up laboratory vapor pressure tests performed daily. However, because Alyeska is concerned with the precision of the industry standard method of measurement, it has initiated the development of a new device better suited for crude oil vapor pressure measurement. It is hoped that a prototype will be installed for on-line testing by March 1992.

Alyeska has for many years monitored the exposure of Alyeska employees and the public to crude oil vapors at all pipeline locations, independent of the commencement of NGL injection.

A recent health study at the Valdez Terminal reveals that benzene levels are not a cause for concern there. Benzene concentrations in Valdez have averaged 1.4 parts per billion over the past year. EPA considers the normal level of benzene in urban areas to be 1 to 6 ppb. Valdez is thus at the lower edge of this range, wholly apart from any emissions at the terminal, which necessarily would contribute only a fraction of the total. There have been no violations of any of the National Ambient Air Quality Standards during the period of this study.

ARCO Marine, Inc.  
300 Oceangate  
Long Beach, California 90802-4341  
Telephone 213 590 4407

J. A. Aspland  
President



November 20, 1991

The Honorable George Miller  
Chairman, House Interior and  
Insular Affairs Committee  
U.S. House of Representatives  
Washington, D.C. 20515-6201

Dear Chairman Miller:

During testimony before the Committee on Wednesday, November 6, 1991, Mr. Charles Hamel made a number of environmental and oil quality allegations regarding Alyeska and several of the owner companies. I understand that Alyeska is submitting responses regarding these allegations as they relate to Alyeska's areas of responsibility. On behalf of ARCO Marine, Inc. (AMI), I wish to submit the attached comments on those aspects of Mr. Hamel's allegations which appear to relate to tanker operations of AMI.

The enclosed material respond only to those allegations raised by Mr. Hamel at the hearing. They are not to be construed as any effort to respond to all of Mr. Hamel's allegations regarding AMI's tanker operations, whether found in the transcripts of the tape recorded meetings between Mr. Hamel and Wackenhut investigators or in allegations made by Mr. Hamel during the past several years. I respectfully request that this letter and its attachments be made a part of the written record of the Committee's proceedings.

Very truly yours,

J. A. Aspland

Enclosure

cc: The Honorable Don Young  
Linda Chase, Esq.  
David Dye, Esq.

Minority Exhibit 21

TOTAL P.82

On ARCO Marine, Inc. vessels headed to Valdez, all ship-generated waste streams (including oil, tank washings, seawater, cleaning agents and bilge water) are transferred to the vessel's cargo slop tanks, where they are first allowed to separate by gravity. The water portion, which ordinarily contains a small amount of cleaning agents that do not affect the Ballast Water Treatment ("BWT") system's operations, and the vessel's ballast water, are pumped to the BWT facility. The oil portion of the cargo slop tank is retained on-board and is mixed with the next crude oil cargo load. This practice, the objective of which is to maximize oil recovery and cargo delivery while minimizing oily waste discharge to the BWT system, has been accepted by EPA, which has requested that the practices be incorporated into the Best Management Practices Plan ("BMPP"). The Alaska Department of Environmental Conservation ("ADEC") has also recently completed a review of the handling of ballast water at Valdez, and has found no evidence of any improper practices.

With specific regard to tank cleanings, ARCO's practice is to remove cargo sedimentation from the cargo tank structure through a combination of the solvent characteristics of the crude oil and the high-pressure jet action of cargo tank washing machines. The sedimentation is converted into a solution form, so that it can be discharged with the rest of the cargo. The tanks are then washed with seawater. This process creates "tank washings", which are a mixture of crude oil and seawater. Since ARCO Marine generally does not use cleaning agents in its tank cleaning process, no tank washings contaminated with cleaning

agents are pumped to the BWT system. The only exception is vessels going into drydock in shipyards in the lower 48 states, where cleaning agents may be used. The resulting tank washings are disposed of in accordance with applicable laws, and are not run through the BWT system.

On two occasions, ARCO vessels have transferred tank washings from vessels going into drydock to vessels headed to Valdez. The first, in November 1987, involved the transfer of 28,000 barrels of tank washings to a tanker for use as ballast, and the material was subsequently pumped into the BWT system. The Coast Guard was notified before the transfer, and no agency has ever alleged that this procedure violated any applicable law or permit. The second, in June 1990, involved the transfer of approximately 17,000 barrels of tank washings, all of which consisted of ANS crude oil residues and seawater. Again, the washings were used as ballast and were subsequently pumped into the BWT system. EPA was notified of this procedure, and there has been no indication that any law or permit obligation was violated.

**EXXON PIPELINE COMPANY**

POST OFFICE BOX 2220 • HOUSTON, TEXAS 77002-2220

MARSHALL G. WANNER  
PRESIDENT

November 19, 1991

The Honorable George Miller  
Chairman, Committee on Interior and Insular Affairs  
U.S. House of Representatives  
Washington, D.C. 20515-6201

Dear Congressman Miller:

The transcript of my appearance before the Committee on November 6, 1991 indicates the need to clarify certain potential points of confusion. In part, confusion may stem from what may appear to be a discrepancy between notes taken by my attorney, Anne Pace, and the fact that I do not recall learning at the September 25, 1990 meeting in Denver of allegations about Exxon vessels in the Florida Keys.

Ms. Pace, who also attended the September 25, 1990 Denver meeting, informed me a day or two later that she had had a conversation with Fred Smith, then the General Counsel of Alyeska, in the hallway after the meeting; at that time Mr. Smith told her about Mr. Hamel's description of the alleged incidents in the Florida Keys. I was not present during that conversation. According to Ms. Pace, the references to the Florida Keys allegations at the end of her notes (Exhibit No. 35), which were misquoted at the hearing (see page 72 of the transcript), were recorded during the hallway meeting with Mr. Smith. As I testified, I have no recollection of having heard the Florida Keys allegations on September 25, 1990.

The transcript also indicates some confusion, particularly during Mr. Johnston's questioning of me (see page 72 of the transcript), as to when I notified Exxon Shipping Company of Mr. Hamel's allegations. As stated in my letter to Linda Chase of October 28, 1991, and as I testified at the hearing in response to earlier questions by you and Mr. Richardson, I first advised the President of Exxon Shipping Company of the existence of the tapes and the allegations regarding Exxon vessels in early September 1991, at approximately the same time the Wackenhet materials were transmitted to the Committee. The "September 6" I referred to in my response to Mr. Johnston (also at page 72 of the transcript) was September 6, 1991. This timing was consistent with our earlier decision not to use any information generated by the investigation for any purpose, a decision obviously negated when the materials were submitted to the Committee.

The Honorable George Miller

-2-

November 19, 1991

I would appreciate it if you would add all of the above to the official record. We reserve the right to make corrections to the transcript by the December 6, 1991 deadline.

Very truly yours,

*Danell R. Warren*

DGW:ray

c: The Honorable Don Young, Ranking Minority Member  
The Honorable Harry Johnston  
The Honorable Bill Richardson  
The Honorable Charles H. Taylor

**EXXON SHIPPING COMPANY**

POST OFFICE BOX 1612 • HOUSTON, TEXAS 77251-1612 "EXXONMP HOUSTON"

FAX/TELEX

November 20, 1991

The Honorable George Miller, Chairman  
Committee on Interior and Insular Affairs  
U. S. House of Representatives  
2228 Rayburn Building  
Washington, D.C. 20515

Dear Congressman Miller:

As a result of the Alyeska commissioned Mackenbut investigation of stolen documents, we have been made aware of a number of allegations made by Mr. Hamel regarding the practices and operations of Exxon Shipping Company. These allegations are in garbled form and are very vague as to times and circumstances. The allegations stated below are our interpretation of his statements. This letter and the contained responses are submitted for the record of this Committee.

**ALLEGATION: THE CORPORATE SEPARATION BETWEEN EXXON COMPANY, U.S.A., A DIVISION OF EXXON CORPORATION, AND EXXON SHIPPING COMPANY IS NOT BEING OBSERVED.**

**RESPONSE:** Exxon Shipping Company, a Delaware Corporation, is a wholly owned subsidiary of Exxon Corporation. Exxon Shipping Company is managed in its day-to-day operations by its own officers, directors, managers and employees, not by Exxon Corporation or Exxon Company, U.S.A. (its domestic oil and gas operating division). In addition, Exxon Shipping Company has publicly traded debt.

**ALLEGATION: EXXON SHIPPING COMPANY OPERATES UNDERMANNED TANKERS.**

**RESPONSE:** Exxon Shipping Company owns and operates adequately manned ocean, coastal, and inland equipment certified by the U.S. Coast Guard. The manning levels and the licensing of the officers and crew for these vessels meet or exceed all applicable laws and regulations.

**ALLEGATION: EXXON SHIPPING COMPANY'S VESSELS AND/OR VESSELS CHARTERED BY EXXON SHIPPING HAVE ENGAGED IN A PRACTICE OF DUMPING HAZARDOUS SUBSTANCES INTO THE SHIPPING LANES IN OR NEAR THE FLORIDA KEYS.**

**RESPONSE:** We are currently investigating these allegations with respect to vessels operated by Exxon Shipping Company in the Florida trade. If this investigation identifies any reportable event under federal or state laws or regulations, the required reports will be made to the appropriate authorities.

Congressman George Miller

-2-

November 20, 1991

ALLEGATION: EXXON SHIPPING COMPANY'S TANKERS USE THE ALYESKA BALLAST WATER TREATMENT PLANT AT VALDEZ TO ILLEGALLY DISPOSE OF TOXIC SUBSTANCE.

RESPONSE: These allegations have previously been investigated by federal and state authorities. A September 1991 report by the Alaska Department of Environmental Conservation (ADEC) concluded: "No evidence has been located, nor any offered, which would indicate that TAPS trade vessels have been used to shuttle unknown or unidentified hazardous wastes for disposal through the BWT."

We are also aware of an investigation being conducted by the EPA on this issue for all tankers in Valdez trade. Exxon Shipping Company has cooperated fully in this investigation. We anticipate their findings will be published in the near future. While minor modifications to ship practices have been mutually agreed to by EPA, ADEC, and the tanker owners operating in Prince William Sound, there has been no allegation by any governmental agency that there have been violations of pollution effluent limits into Alaskan waters.

ALLEGATION: EXXON MISREPRESENTED THE QUANTITY OF OIL DISCHARGED BY THE EXXON VALDEZ.

RESPONSE: An independent company (Caleb Brett U.S.A., Inc.) gauged the volumes of oil and water in the tanks of the EXXON VALDEZ after loading at Valdez and the oil and water transferred to other vessels from the EXXON VALDEZ after the spill. Their report is the basis for the 258 thousand barrels (10.8 million gallons) oil discharge as reported by Exxon Shipping Company. This volume is consistent with the rounded off 11 million gallon volume included in documents submitted to the U.S. District Court in Alaska by both the State of Alaska and U.S. Department of Justice.

I trust the above responses satisfy the Committee's request.

Sincerely,



AE:tjm  
ss:sp

c The Honorable Don Young



**RESPONSE OF BP OIL SHIPPING CO., USA TO ALLEGATION  
THAT VESSELS MAY HAVE CONTRIBUTED TO POLLUTION OF  
VALDEZ HARBOR THROUGH UNAUTHORIZED DEPOSITS  
INTO BALLAST WATER TREATMENT FACILITY**

---

Over the years the chartered ANS fleet of BP Oil Shipping Co., USA ("BP") has been operated by many different owners, each of which has slightly differing operating practices. However, none have been instructed to load waste water streams or other contaminants from shore facilities by BP, and BP has no knowledge that they have done so of their own volition.

It has been a BP practice for many years to have the pre-drydock tank washings of any Alaska trade vessel in its fleet transferred to another vessel in its fleet for carriage to Valdez. These transfers have usually taken place with the involved vessels anchored alongside each other in Long Beach harbor. On a number of occasions when ship schedules have not permitted direct ship-to-ship transfers, the tank washings have been transferred to a barge for temporary storage until the next northbound vessel is available. Care has always been exercised to ensure that the barges used for this purpose have only carried petroleum products on their last three liftings.

During the voyage to Valdez every effort is made to separate the oil from the water by the settling process, with all separated oil being retained in the slop tank and the water being discharged into the Valdez ballast water treatment system. During the loading operation, clean fresh oil is loaded on top of the retained oil in the slop tank, and then the entire tank contents are discharged together at the next

discharge port. This whole process is designed to insure that BP maintains as much of its oil as possible on its vessels for ultimate sale to its customers and avoids the decanting of tank washings at sea, even though decanting is permitted by law and Coast Guard regulations.

Some of BP's chartered vessel owners on an infrequent basis have used tank cleaning agents. However, these cleaning agents are petroleum based and are capable of being properly treated by the Valdez ballast water treatment facility. Since May of this year, BP has been disposing of pre-drydocking tank washings in the Port of Portland's BWT facility pending a review of its procedures by EPA.

1 There's two pages to that document. There is only one in  
2 the volumes.

3 JUDGE TURECK: What exhibit is that?

4 (Pause.)

5 MS. GARDE: Twenty-seven, I think.

6 (Pause.)

7 MS. GARDE: Twenty-seven.

8 Could you turn back to --

9 JUDGE TURECK: Do you have another copy?

10 (Pause.)

11 BY MS. GARDE:

12 Q Do you have Exhibit 27 in front of you,

13 Mr. Wellington?

14 A I do.

15 Q Could you identify the document that is in front  
16 of you, sir, RS-1857.

17 A Yes. That's at the bottom? You mean here?

18 Q Yes.

19 A Yes.

20 Q Can you identify that document?

21 A What do you want to say about it?

22 Q It's a DTEC report on Mr. Scott, is it not?

23 A I -- I don't know.

24 Q Have you ever seen a DTEC report?

25 A Not that I recall.

Heritage Reporting Corporation  
(202) 628-4888

Minority Exhibit 24

1 Q Have you seen this DTEC report?

2 A Not that I recall.

3 Q Were you ever provided a copy of the DTEC  
4 report?

5 A Not that I recall.

6 Q Let me show you the second page of what was  
7 shown to you at your deposition.

8 MS. GARDE: And ask that it be inserted in the  
9 record.

10 THE WITNESS: In here?

11 MS. GARDE: Yes.

12 THE WITNESS: Okay.

13 BY MS. GARDE:

14 Q Can you identify that document, sir?

15 A Well, it's got Mr. Scott's name on it, and it's  
16 got number 1856 on it.

17 Q It's RS-1856.

18 A Yes.

19 Q Can you identify what that document is?

20 A (Pause.) I -- I don't know what it is.

21 Q It's a credit report on Mr. Scott, is it not?

22 A If you say so.

23 Q When was the first time that you were aware that  
24 credit checks had been run on suspects or targets of this  
25 investigation by Wackenhut?

1       A    I think, ma'am, I said yesterday in my testimony  
2    that I wasn't sure. It could have been at the end of the  
3    investigation. I know that some of the credit reports  
4    that allegedly were done I was not aware of, one in  
5    particular I recall until it was brought out at the  
6    Congressional hearing.

7           But -- so it was after they -- number one, I  
8    didn't give permission to do them. Number two, I don't  
9    recall exactly when I became aware of it, but I would say  
10   it was -- if I did become aware of it, it was late in the  
11   investigation, and as I recall, I never saw any credit  
12   reports. If -- if they were mentioned in the context of  
13   the summaries, I don't recall.

14       Q    When you went to Coral Gables for your meetings  
15    with Mr. Lund and Mr. Black on the briefings, were you  
16    provided copies of all the materials that they had  
17    collected to date?

18       A    I don't believe so, ma'am.

19       Q    Do you remember you testified yesterday that  
20    they showed you the original of the trash that was on the  
21    table?

22       A    Yes.

23       Q    Did they make access that -- did they make  
24    access available to you of their investigative records?

25       A    No.

1                   Executive summary, and that's what we -- that's  
2 what we went with.

3                   Q     The only thing you saw was the executive  
4 summary?

5                   A     (Pause.) Well, I saw some tapes, you know, with  
6 the tapes and --

7                   MS. GARDE: Your Honor, I'll move this exhibit  
8 in with a different witness.

9                   JUDGE TURECK: That's fine.

10                  MS. GARDE: Thank you, Mr. Wellington.

11                  THE WITNESS: Thank you very much.

12                  JUDGE TURECK: Mr. Jordan?

13                  (Pause.)

14                   CROSS-EXAMINATION

15                  BY MR. JORDAN:

16                  Q     Mr. Wellington, did you have advance knowledge  
17 that Wackenhut was obtaining either DTEC reports or any  
18 form of credit report with respect to individuals who were  
19 involved in the Wackenhut investigation?

20                  A     No, I did not.

21                  JUDGE TURECK: Mr. Wellington, what is a DTEC  
22 report, if you know?

23                  THE WITNESS: I don't know.

24                  JUDGE TURECK: Okay.

25                  MR. JORDAN: Ms. Garde referred to a DTEC report

Heritage Reporting Corporation  
(202) 628-4888

1 in her question.

2 JUDGE TURECK: Yes, I know she did.

3 MR. JORDAN: And I know, but I'm not a witness.

4 BY MR. JORDAN:

5 Q Mr. Wellington, had Wackenhut come to you and  
6 asked for an authorization to conduct some sort of credit  
7 checks, a retail credit report or something of that kind,  
8 in advance of doing so, would you have approved that  
9 request?

10 A No.

11 Q And why would you not have done so?

12 A Well, first of all, in looking at the type of  
13 investigation that we were conducting, I would see that it  
14 would not be anything that would probably provide any  
15 information that we were looking at concerning our four  
16 main objectives, and that's to get our -- identify the  
17 sources, get our documents back, stop further leaks, and  
18 take appropriate legal action. And when you put that in  
19 the context of what my original charge was and how the  
20 investigation was going to be handled, I don't see how a  
21 -- unless they were going to hire somebody, well, then,  
22 that's their own business. I don't see how a credit  
23 report would tie into those four areas of activity.

24 Q Now, I believe you testified that you don't  
25 recall ever seeing the exhibit that Ms. Garde has showed

1       you.

2           A    That's correct.

3           Q    Do you recall seeing any other exhibits of a  
4       similar kind, similar format, similar nature during the  
5       course of the investigation?

6           A    Sir, I think that -- that it would have been --  
7       if I did see them, it would have been at the end of the  
8       investigation or possibly at Congress. I don't recall  
9       seeing them early on in the investigation. I think I  
10      testified to that yesterday.

11        Q    Now, I believe you testified yesterday that at  
12      least in some context obtaining credit reports is a valid  
13      or legitimate investigative technique?

14        A    Certainly in employment activities it would be.

15        Q    Now, do you obtain credit reports in employment  
16      situations in connection with your security duties at  
17      Alyeska?

18        A    From time to time but very limited. It's not a  
19      routine background investigative tool that we use, but  
20      from time to time we probably have. And you were to --  
21      your next question is when's the last time you used it,  
22      and I'm going to say I don't know because it's not  
23      something routine.

24        Q    Okay. You were asked in connection I think with  
25      the third executive summary today about the names of two

Heritage Reporting Corporation  
(202) 628-4888

Congressional Record - House, February 27, 1986, H671**SEPARATE VIEWS OF HON. LAWRENCE J. SMITH**

I am pleased that in its consideration of this contempt resolution, the full Committee decided to avoid the assertion that attorney-client protections applicable before judicial or administrative bodies are or may be inapplicable before the Congress. It is my understanding that the majority report will make clear the Committee's intention that the United States attorney who will be responsible for prosecuting this matter, if a prosecution becomes necessary, is not to base his case in any way on any contention that attorney-client protections may lawfully be disregarded in this or any other Congressional proceeding.

If such a proposition were to prevail, attorney-client protections could be eviscerated, and the values they are designed to serve would be made unsecure. A confidence can only be secure against disclosure if it is secure everywhere, in every forum where an attempt might be made to extract it.

If a client's confidences and secrets were not secure once given to an attorney, then there would be little meaning to the Fifth Amendment right against compelled self-incrimination, nor to the Sixth Amendment right to counsel, nor to any of the particular component Constitutional guarantees of due process.

Hence, the case against these two witnesses must stand or fall on the particular questions they declined to answer, and on the claim that normally applicable attorney-client protections do not support their refusals to testify in these instances. There appears to be no mechanism by which to test the validity of these witnesses' claims of privilege, other than through the issuance of a resolution of contempt, and ultimately, a court proceeding under 2 U.S.C. 192. Hence, I feel there is no alternative but to vote for the resolution before the Committee.

Indeed, this case demonstrates the urgency of a need for the Congress to take measures to avoid the unproductive and unfair dilemma in which we and these witnesses find ourselves. Appropriate committees should expedite development of legislation or other measures sufficient to establish an orderly and fair procedure for securing judicial resolution of contested claims of privilege in Congressional proceedings.

LARRY SMITH.

**ADDITIONAL VIEWS OF HON. HOWARD L. BERNMAN AND HON. MEL LEVINE**

It was our understanding at the full Committee hearing that the majority report would make clear the Committee's intention that the United States attorney who will be responsible for prosecuting this matter is not to base his case in any way on the contention that attorney-client protections may lawfully be disregarded in this Congressional proceeding.

Although the Committee decided not to address the applicability of the privilege to Congressional proceedings in general, we believe that an assertion that such protections do not apply to the Congress would be a truly frightening proposition. If it were to prevail, attorney-client protections could be completely eviscerated, and the values they are designed to serve would be crushed. A confidence can only be secure against disclosure if it is secure everywhere, in every forum where an attempt might be made to extract it.

If a client's confidences and secrets were not secure once given to an attorney, then there would be little meaning to the Fifth Amendment right against compelled self-incrimination, nor to the Sixth Amendment right to counsel, nor to any of the particular component Constitutional guarantees of due process.

Hence, we were pleased that the Committee agreed that the case against these two witnesses must stand or fall on the particular questions they declined to answer, and on the claim that normally applicable attorney-client protections do not support their refusals to testify in these instances.

Indeed, this case demonstrates the urgency of a need for the Congress to take measures to avoid the unproductive and unfair dilemma in which we and these witnesses might find ourselves. Appropriate committees should expedite development of legislation or other measures sufficient to establish an orderly and fair procedure for securing judicial resolution of contested claims of privilege in Congressional proceedings.

Howard Berman.  
Mel Levine.

Exhibit 26. June 21, 1990. Meeting at Crystal City Marriott Hotel

Prod. no.: Video, F2R400346; orig. transcript, F2R411092-215; enhanced audio, F2R416172-73.

[Testing equipment]  
[Inaudible]  
[Phone rings]

MR. BLACK: Hello. Yes, 956. [Inaudible]. Oh, I'm sorry. Come on up.  
[Inaudible] [Hangs up phone]

It's now 1:15. I just received a telephone call from Chuck Hamel, Hamel who is downstairs. He dialed my room number, and he's on his way up to the room.

[Pause]  
[Inaudible] (703-411-1234) [Inaudible]  
[Pause]

MR. BLACK: [Inaudible]. Welcome.

MR. BLACK: Actually, I've got some kind of a flu.

MR. HAMEL: You haven't even eaten your breakfast yet.

MR. BLACK: No. I'm trying to keep from going crazy. Have a seat. In fact, creeping crud, some kind of -- some kind of junk. Some kind of --

MR. HAMEL: Having too much? Working too hard? At least get some light, for God's sake. You're here in the dark, you're going get the creeping crud from the dark.

MR. BLACK: Oh, yeah. The sun was killing me a little while ago.

MR. HAMEL: What have you hiding from? Look at that. It's beautiful. Spectacular, an airplane's taking off. [Inaudible].

MR. BLACK: I just got -- I had a vegetarian meal on the plane, and I've been vomiting all morning [inaudible].

MR. HAMEL: I have no time to \_\_\_\_\_.

MR. BLACK: Eastern Airlines put it [inaudible]. Tell me what's going on with you?

MR. HAMEL: Not much. What are you doing up here?

MR. BLACK: Just meetings. Just meetings. I'm expecting some calls. We're trying to coordinate some things.

MR. HAMEL: Meetings from -

MR. BLACK: Some pending lawsuits, a couple in Virginia, just doing some things.

MR. HAMEL: Oh.

MR. BLACK: Doing some last-minute interviews with people, and we've got a couple of guys out doing things. They call me, and I try to arrange -

MR. HAMEL: Environmental stuff, or what?

MR. BLACK: A couple of them are, yeah, couple of them - it's pretty neat, pretty neat stuff, mostly out of Louisiana, but they're filing class action suits.

MR. HAMEL: What kinds stuff? So that Louisiana mess down there, where the -

MR. BLACK: Long story, but basically, Exxon has a -- [inaudible]. Exxon has two or three other companies, and apparently there's a - they call subcontractors. They say that they're doing nothing to us, and there's no master-servant relationship, and they're doing all these things, and we're not responsible.

And so we interview the company and we say, who do you get your orders from, and try to show that relationship. So that's basically what we're doing. And I'm up here -

MR. HAMEL: Health stuff though? I mean-

MR. BLACK: Health-related things. Two well poisonings that are about two, three years old, but they're just getting to me.

[New speaker?] Well, I got a phone call yesterday from Region 10, Ray Nye, who's the air quality guy, and \_\_\_\_\_ call and tell me, brighten my day, and we just issued a violation, a violation against Alyeska for air quality and \_\_\_\_\_. I had - an Alyeska attorney called yesterday and tried to talk him out of it, let's work together on this. And it's going to be adversarial.

MR. HAMEL: Two years, I gave that information in October '87. I gave it to the EPA in '85, October '85. They did nothing with it. What are you talking about? I came back in '87 and I gave it to the Senate

testimony that air quality [inaudible]. And the EPA, Robie Russell, who ran Region 10, responded to Senator Bennett Johnson on my testimony, and I said, "What do you think about it?" And he said, well, I don't know. This is what the study tells us about it [inaudible]. Counsel said they haven't had a chance to look into it, and they don't think that Chuck Hamel is correct.

[MR. HAMEL?]: Now, why would they, why would he think that? I mean – you know, all he has to say is they haven't had a chance to look into it, but why would he say – you know, first impression. We don't think Chuck Hamel is correct. I mean, shit.

MR. BLACK: [Inaudible] correct, and so far, it's put in about 200 million.

[Phone rings]

MR. BLACK: And now another violation on it [inaudible].

Hello. Hi. What about [inaudible]? Where are you? Oh, okay, so you're in D.C. Thank you. All right. You'll call as soon [inaudible].

MR. HAMEL: Is that an out-of-town pager or a local pager?

MR. BLACK: Oh, that's an out-of-town. That's a -- that's a Miami one that I always bring with me, and [I'm bumping into it?].

MR. HAMEL: Oh, but I mean, they can call you here with it?

MR. BLACK: No, they can't. That's a \_\_\_\_\_ pager. Want a Coke? Would you like to order or something?

MR. HAMEL: What's your schedule now?

MR. BLACK: I've got three more calls --

MR. HAMEL: Right.

MR. BLACK: -- that I've got to get.

MR. HAMEL: Right. And then where you going?

MR. BLACK: And then I can leave the room for a while, and then I've got another -- I've got some people coming over here at 6:30.

MR. HAMEL: I have a 3:00 with that investigator. Why don't I order us something to eat up here?

MR. BLACK: Sure. Go ahead. Tell me what you want.

MR. HAMEL: And, then help yourself, and then I can get out of your hair.

MR. BLACK: 3:00 with what investigator?

MR. HAMEL: [inaudible]. One of those private eyes.

MR. BLACK: You hired one?

MR. HAMEL: Yeah. Local guy.

MR. BLACK: [inaudible]

MR. HAMEL: Yeah, and he also runs a courier service, so when the courier guy was missing the other day \_\_\_\_ because the courier boy didn't show up, but he also had a family problem and he was away for six days. Now he's in the middle of some big job for the metropolitan police in Alexandria. Anyway. What - I can't ask what you ate, because -

MR. BLACK: I'm going to have some soup, but I had something here late last night, and pretty much everything's good.

MR. HAMEL: They're offering additional specials to celebrate an Asian occasion. [inaudible] Hyatt hotel food and beverage promotion [inaudible] What I think it was.

MR. HAMEL: What kinda soup you going to have?

MR. BLACK: I'm going to have some chicken soup again. What do you want?

MR. HAMEL: [Inaudible] God, Mexican breakfast [inaudible].

MR. BLACK: No, I'm telling you. It was a vegetarian meal on the plane, Chuck. I was billed. I don't eat it here. [Inaudible]

MR. HAMEL: I have a egg salad sandwich always at airport restaurants and a glass of milk. And I get on board, and you eat, well, you're being seated and everybody was waiting to get organized and I go to sleep. [inaudible] glass of wine. By the time they feed you, you're all screwed up. You know, you haven't gotten your nap. It's an hour later, you it's a mess to get the drink, and mess to get the food. And you're overweight -- not overweight, but too much in you.

You haven't said anything. I've lost all this weight -

MR. BLACK: [Laughs]. How much have you lost?

MR. HAMEL: Thirty-one.

MR. BLACK: Really? How you doing it?

MR. HAMEL: [Inaudible] I'm breaking down right now, and having supper. But other than that, it's soup and you and I and dinner tonight. [inaudible] usually I have a little candy bar I bring with me, I forgot to bring it with me, [inaudible]. Provolone, bacon cheeseburger. You know, I live for that.

MR. BLACK: Oh.

MR. HAMEL: No, no, no. I'm not going to have it. I lived for that, but I can't do this.

MR. BLACK: What do you want?

MR. HAMEL: Bowl of soup. Maybe crackers. Chicken noodle's all right. If they've got a more interesting soup, I'll have that, but [inaudible].

MR. BLACK: What will you have to drink?

MR. HAMEL: Diet Pepsi.

MR. BLACK: Oh, hi. This is Wayne Jenkins in 956. What kind of soup do you have today? Chicken soup and then hot and sour.

MR. HAMEL: Chicken soup? And a Diet Sprite.

MR. BLACK: Two chicken soups. Diet Sprite or Seven-Up and some crackers. -Do you want to split a BLT?

MR. HAMEL: I shouldn't but I will.

MR. BLACK: Okay. And a bacon - one bacon, lettuce and tomato sandwich. And a Diet Pepsi \_\_\_\_\_. Thanks, though 956 Jenkins.

Great. Thank you.

MR. HAMEL: The bacon is not going to do you any good.

MR. BLACK: Well, hell. I need to put something in my stomach. I \_\_\_\_\_. You hired a private eye to find out who's grabbing the garbage?

MR. HAMEL: Wouldn't you do that? What would you do?

MR. BLACK: Oh, yeah. Well, I'd probably shoot somebody but -

MR. HAMEL: Well, I just want to find out who, and then I go do my thing. [Knock] But I wasn't doing well finding out myself. It's [inaudible]. I did find a duplicate of a car registration, what not.

MR. BLACK: Who was it?

MR. HAMEL: It's a guy in his 40s. But we haven't seen the car yet. All I wanted the private eyes to go find a car, go verify [inaudible] but it doesn't show the color, the registration, whatnot. And the car belongs to a David and Barbara Wade. I mean, they're 42 years old. And he has a four-door Nissan, gray Nissan, but there's no young kid.

The neighbors, the neighbor next door is a newspaperman and told the private eye there's no, they don't have a blondhaired 24-year-old \_\_\_\_\_.

So. By the way, the private eye figured that I got the wrong number. Well, I'm a big boy. [Inaudible]. But when I'm sitting in a car, with a piece of paper and a pencil and a camera and I'm trying to get a license tag and instead of taking a picture, I'm going to make damned sure of the license tag when I write it down. I didn't make a mistake.

Now, that they borrowed, tags, and a lot of things could have happened. But, you know, the car could have been in the garage, and they used the tags. The whole thing doesn't make sense. A young kid with a nice, red two-door coupe, that looks like a young kid's two-door coupe. So it could be his aunt and uncle, or his parents, or something.

Anyway, I'd expected by now - been weeks - I would have expected by now he would have found out the kind of car or what not, but where he makes his money, I guess, he sat up the other night [inaudible] sits and watches. And he had a motorcycle guy at the other end of the street, sitting between two of them and the guy came by and picked up the - the mistake I made, is he talked me into leaving my garbage inside my property line, which probably kind of shied him away. If they hadn't already seen it, seem to me as it was.

So I should have just put it where it belonged, and not doing anything unusual like that. Stayed up half the night myself trying to watch this thing, so it's not worth it to him. We're not getting anywhere this way.

So I'm having a meeting with him at three, 'cause I told him I wanted, I wanted a real investigator. He must know who they are, he's a former marshal type thing like that. And I don't mind them working under him, for all I care, but I want a real investigator to go do something.

Where -- what he did do for me was he do some checking and there's -- I think I already told you this -- there's an attorney [inaudible] who, during the pipeline when the false wells came up - - big crisis in the pipeline -- he did the investigation for that -- for both the federal government and TAPS. I don't understand how he did work for both, but he did, he's an attorney.

And then came the point where the state and -- I guess it was the state, and TAPS and then he had to fish or cut bait. Who's he work for -- he didn't work for both. And he opted to work for TAPS in the future, but [inaudible].

Secondly, he has a history of picking up trash. He set up an investigation for the oil companies for international investigation and what not. So he did more of that aspect in his business, in his law business, and he's been working for TAPS people, for TAPS on a regular attorney aspect [?].

And he -- he had a guy with him named Scott Armstrong. Who - - famous during Watergate. He got fired by the House and Senate Committee for leaking to whoever the press or somebody. And, he got a year law degree -- a year towards his law degree. Didn't finish. And he wrote *The Brethren* with Woodward on Watergate. So he may have been one of the Deep Throats that Woodward had in the first place.

And then he \_\_\_\_\_ I'm a great private eye, and he joined \_\_\_\_\_ running their investigation department with the attorney. And he -- when did *The Brethren* had a history of trash \_\_\_\_\_.

I -- the relationship I see is that if I didn't know any of them, all I know is that the attorney for Alyeska, for the regulatory work for getting the pipeline in the first place, in Congress and thereafter, and every problem they had, he was involved in. He worked for the chairman of every task force. He's been described as being [inaudible] of every task force that they described to me. And every time I've brought something up to form a task force [inaudible] and he's the attorney for all that stuff. \_\_\_\_\_ and EPA and stuff.

And he's uptight because they're pissed at him; the owners now, this is that judgment, because we were at a point where somebody owns one of the deals, and then he was insistent that they don't. That he

could handle it, you know, for twenty years. Christmas cards, family Christmas cards, that's how [inaudible].

And – but he's uptight because they're pissed at him for – If he had not [inaudible], he'd be one of those types that the fishermen, when they had showed up, would be trying to ask about the sludge and all that stuff and the lawyer said none of your business, and [inaudible] the story. And that the fishermen are nothing but a puppet of Chuck Hamel puppeteer, and that kind of stuff [inaudible] EPA, cause he had them in his pocket [inaudible] and now it's nine, ten years later, and still the permit has not been issued here. It's a temporary permit.

So he – when you make – you're A, oil companies, B, and your pipeline is making a billion dollars a year, that's kind of a mistake you don't want to make, because everybody says now if it wasn't for me way back when, when they – you know, both the \_\_\_\_\_ and the government and everybody focusing on Alyeska, nothing about Alyeska would've been known. Come the *Exxon Valdez* the fact it didn't get out there in time [inaudible] the way it is nobody would've realized. What kind of \_\_\_\_\_ we have and now the big corrosion, etc. And I'm getting all this credit for it, so the owners are pissed. Riki Ott was at a function in Juneau last month, where the owners were there, and they never show up. Nobody knows who they are [inaudible] the pipeline, the Exxon guy, so on, the chairman. And they – they had a cocktail party for members of the legislature to work them over because they [inaudible].

And Riki crashed the party. They found out about it, and they didn't know how to kick her out, so they let her stay. And each owner met her and each one in a two-and-a-half hour deal, and each one and each one was saying two-and-a-half hours [inaudible].

Did you think that \_\_\_\_\_ a joke? He said, [inaudible] they were all saying the chairman of the whole thing was Garibaldi, was making a joke [inaudible] each owner \_\_\_\_\_ get her out, out of their way, because they all know that she works with me and that [inaudible].

So they made a joke, and she was introduced to each owner [inaudible]. Riki agreed that if we'd stop [inaudible] all the \_\_\_\_\_ to the press then she'll stop working with Chuck.

So. Anyway. All that \_\_\_\_\_ of course. You know? They're uptight. And then their attorneys – their regular attorneys talking to my attorney – they'd gone to Harvard together, what not, talking about, you know, isn't there some way of making peace with me. But they don't know how. And they were hoping I had some ideas [inaudible].

Simple. They have two things to do. One, pay me for the damages they owe me. And secondly, set up a health plan for the employees. \_\_\_\_\_ my lawyer between Seattle and Anchorage. And my message to them is: They don't want to give me credit for this stuff, because they're going to send somebody else to do the same thing. No one's ever done that what I've done. If I'm successful at it, that would make some other guy do it, too. [inaudible].

So they're afraid of that. But I said, fine. All they have to do is, is do the health plans for George Miller, the Congressman [inaudible]. So. Regular deal that he and they worked out \_\_\_\_\_. Give him credit. I don't get credit. I just want it done. I'm not getting out without the health plan. And they know that, and that drives them nuts.

MR. BLACK: So you basically have two, two things that you're asking for. Getting what they owe you and do the health plan?

MR. HAMEL: As far as cleaning up their act, that's part of the deal, too. I'm going to identify some of the things they'd better clean up \_\_\_\_\_ they couldn't get out if they don't clean up anyway.

For example, they just announced a couple of days ago that the numbers [inaudible] of \_\_\_\_\_ EPA have discovered the air quality in Valdez is so destroyed by the - by their vapor emission that is, you know, one in ten thousand chance of getting cancer - in the town, not the workers. Nobody's thought about the workers. Nobody cares. Just the town, that's nine miles away from the emissions from the air coming out.

I mean, that's a long way, and clearly in Texas and you know you're within a mile-and-a-half, or living within a mile-and-a-half from the refinery you're one in ten thousand. Nine miles away. [inaudible] that's because of the structure of the mountains and all that kind of stuff.

And the emissions. I mean \_\_\_\_\_. The emissions from their - - from their tankers alone is double what the *Exxon Valdez* dumped in the bay for a year.

And I - you know, there's no reason for it. Each tanker's got a pipe to recover the vapors. When you get to California, by law they have to, use it, and they just don't want to bother with that stuff, because they're - you know, in and out time to hook up the [inaudible] all that kind of stuff. Hurry, hurry, hurry. And slow down the pipeline. The nation needs it. That's their argument. It's good for the security of the nation. So they - they are going - EPA's going to force them

to do vapor recovery, and they're going through the motions. But meanwhile, the owners have already picked up a second terminal and the owners have already decided to do it, and they told Riki they're to give up on that one. And they're going to -- they're going to -- beginning next year.

But it's going to cost them a fortune, to put in the piping and whatnot. Cause they'll do it in a the rush. I mean, during the summertime they -- they started doing things right when they realized they were caught. But the cost would have been quite different.

You've got to hang those guys over the edge of this window and say, "I'm going to shove you," or they won't do anything.

Anyway, I filed a number, and --

MR. BLACK: Do you see any end in sight, though, for you? Is your lawyer happy? Does it look like the negotiations are going well?

MR. HAMEL: Well, there's no real negotiations going on, just an off-the-record little get-together, little Harvard buddies.

MR. BLACK: Meanwhile, you keep busting your chops and [making their days]?!

MR. HAMEL: Well, \_\_\_\_\_ the, the -- I think where it's going to come if it does, and I'm --ing with Exxon on my land deal \_\_\_\_\_ refinance for a while. My wife has put me in an allowance. She's not giving much of an allowance [inaudible]. And I'm working.

MR. BLACK: Where are you working? What are you doing?

MR. HAMEL: Well, I need to get some money I work on a project. If I don't get a project going I'll lose my \_\_\_\_\_. But when I'll be well financed again, and I'll have \_\_\_\_\_ within a couple of months. Exxon and I have agreed to have an appraiser go appraise my value [inaudible] right now [inaudible] extra mile, in all of the areas that we're not sure of [inaudible] count down to zero. There's no value in this right now, but there's value to me. They want to give me a buck for it, and I don't need the buck right now, because I've got enough coming from them so, -- for awhile.

So I'm going to convert that to a \_\_\_\_\_ like a \_\_\_\_\_. [inaudible].

MR. BLACK: [inaudible]

MR. HAMEL: They caught me in a working interest, just to \_\_\_\_\_. [inaudible] mine before this, but anyway, that's their -- their mentality. Chuck

Hamel has been working interest part of BP, Exxon, ARCO. It's unbelievable. They can't stand it. It drives them nuts.

My other property with them is a royalty, so when they pay the government royalties, I get my share. That's down the road. \_\_\_\_\_

So I'm converting all of the nebulous areas into a royalty, and that's nonworking \_\_\_\_\_ which, when the government gets paid, I get paid. So. And my wife's ten years younger than I am, \_\_\_\_\_ an annuity. Rather get the buck now. Ten, fifteen years from now, I know [inaudible] some of the oil that's [inaudible]. And \_\_\_\_\_ 20, 30 grand a year's not bad \_\_\_\_\_ have a hell of a lot more than that because inflation, what isn't worth a buck today is 50 or 80 grand a year to her [inaudible]. [inaudible] I don't care [inaudible] take care of my kids [inaudible].

But the - so that's what's going on there, and - but the oil companies know that - three companies that need money before they meet with me [inaudible] on my land deal \_\_\_\_\_ oil field

MR. BLACK: Why do you [inaudible]?

MR. HAMEL: Well, because they asked me to delay their meeting with me.

MR. BLACK: Oh, they just told you?

MR. HAMEL: Oh, because they don't want me to complain about anything in that thing, you know. And I got \_\_\_\_\_ on that one [inaudible] way back, and they discovered the oil [inaudible]. They told me it was going dry. \_\_\_\_\_ 500 barrels a day, going dry.

[inaudible]. It was too bad for them at the time. They didn't want to develop at that time. They would shut out their own oil, and it would also require development of the field there, and they didn't want to, because they [inaudible] billion and a half dollars to develop the field. So [inaudible]. But I [inaudible] my partner [inaudible]. So. [inaudible].

MR. BLACK: So, he lets you run the show?

MR. HAMEL: Oh, yeah. [inaudible].

But what happened, is that, my own attorney up there is also an oil \_\_\_\_\_ attorney. He represents insiders [?] And [inaudible] he's been chosen by the state to negotiate a settlement with the oil companies and their big suit regarding wellhead price, cheating - tanker and all that crap \_\_\_\_\_. And I'm part of that, but I was

the one that lowered the rate by half, opened up that Pandora's Box. [inaudible].

But he's been chosen to sit down separately. I think I told you the state has had \$32 million so far, to outside counsel, [inaudible] in the courthouse. And the oil companies delayed it, I think. The federal judge couldn't handle it, because he gets a check from the state every year \_\_\_\_\_. \_\_\_\_\_ a check every year.

If he rules in favor of the state, his check would go up by about three or four dollars. That sucker's with the federal court, Circuit Court, they'd still [inaudible], just to delay this thing.

MR. BLACK: Speaking of courts did you see where the Court upheld Alyeska's action against Valdez?

MR. HAMEL: Oh, yeah. That was --

MR. BLACK: [inaudible].

MR. HAMEL: Yeah. That was anticipated. They \_\_\_\_\_ that money in \_\_\_\_\_. \_\_\_\_\_

MR. BLACK: Oh, it is?

MR. HAMEL: Yes.

But what happened here is they're now -- they want to settle. The *Exxon Valdez* makes them more [eager to?] settle. So the state has - I guess these things clear once in awhile, but the state attorney general has something to say as to who is going to handle the settlement, the negotiations. And somehow, he picked his old partner Julian Mason. [inaudible].

So Julian is negotiating with the attorneys for the oil companies, the TAPS companies on the settlement of that payment, billion dollar deal.

MR. BLACK: So your attorney, on behalf -- appointed by the state, is negotiating with the oil companies --

MR. HAMEL: [inaudible].

MR. BLACK: -- and that's the same attorney that's negotiating with the oil companies for you?

MR. HAMEL: No, he's not negotiating for me. They're talking.

MR. BLACK: Yeah.

MR. HAMEL: And they know that he's the one to talk to, and he's the one who handled me at the ATC when I dumped on them all that stuff, so he's [inaudible]. He went and got an engineering degree before he got his law degree at Harvard. He \_\_\_\_\_ law degree at Harvard. But he's \_\_\_\_\_.

MR. BLACK: He sounds sharp. He's the one who told you to get rid of the attorney-client documents that I looked at.

MR. HAMEL: Oh. You mean -

MR. BLACK: He's the one who told you, you he didn't want to see them.

MR. HAMEL: Right. [inaudible]. He just enjoys what I'm doing. He says, "Keep doing it. Keep doing it." A year ago, we knew we were dead in the water unless we filed suit, and I couldn't afford to file suit. He just - keep doing it.

I mean, I owe him a bundle of money, and he says, "Don't worry about it." In fact, the only thing that's been troubling him, at times he says - and he means it and he told them that I only want the health plan, and I only want the money they owe me. And they're probably - if they're not careful about how they pay me, then a lot of other people got this water, too, so how do they handle that?

So that's their problem. I don't give a damn how they handle it. They've already hinted that they could hire me as a consultant at a few hundred thousand a year. Shit. It would take a long time to pay me back [inaudible].

But Julian insists that what I'm doing, he's demanding. He's the environmental type, and he's the one that - when they lose somebody in Mt. McKinley, they [inaudible], because I wouldn't want that \_\_\_\_\_, you know. But I'm a paying client [inaudible].

So I'm sitting there and I'm not continuing, I'm sitting there [inaudible]. And I hear him saying, oh, put him on. Put him on. You know. It must be [inaudible] come back [inaudible] but his vehicle is out there. It's a strange vehicle. It's open \_\_\_\_\_ on the back, and he's got all kinds of dry [?] cans and all kinds of provisions in it, and [inaudible].

He's gone. So I'm waiting around, waiting around, and finally I said, \_\_\_\_\_ Julian? \_\_\_\_\_, yeah, didn't he tell you? No. Well, there's a woman lost up in the canyon. Gone. How long does it take until we find her? Then we'll come back [inaudible].

And worse than that [inaudible] a couple of days and you go straight home and [inaudible]. That's why it -- I'm not [inaudible]. That's Julian. And in this case, he found her -- they found her pretty quick, but he's head of a team that investigate. That's Julian.

And Julian wants one thing. He said, "I have to know \_\_\_\_\_ federal land there." You know, \_\_\_\_\_ national monument, the famous Narrows. And he insists that Exxon is going to pay for a monument at the Narrows, they all come and go through there. And he wants that to be redesignated by the government to be the Chuck Hamel National Monument.

[Laughter]

MR. HAMEL: I tell you, what Julian \_\_\_\_\_. He says, "They're not going to get this cheap. I'm \_\_\_\_\_ with money you \_\_\_\_\_. You'll get your money, but you're also going to get that -- if I don't get that monument, I ain't going to settle with nobody. [inaudible]."

[Laughter]

MR. BLACK: That's Julian \_\_\_\_\_.

MR. HAMEL: He's the nicest guy you ever met. And low key, low key. But anyway.

So that was trudging along, and I took a peculiar problem. The EPA -- [inaudible] company on them [inaudible]. Usually guys like that say, "I'll pay you so much a year for five years."

MR. BLACK: It's like the other thing, they set the money aside.

MR. HAMEL: But did he? Cause my partner who's now hiding in Europe, did that with the hospital on all that kind of stuff [inaudible] the hospital. But then he couldn't make payments, and now everybody -- he signed up, but now everybody is suing him for these things, and he has to hide in Europe now.

MR. BLACK: We're self-supporting now anyway. [inaudible] because the revenue we're generating. [inaudible] doing cases.

MR. HAMEL: Okay. It may not [inaudible].

MR. BLACK: \_\_\_\_\_ dependent on him.

MR. HAMEL: But he bowed out of it for a while.

MR. BLACK: He's hurting. Yeah.

MR. HAMEL: I feel sorry for him, because I think [inaudible] five-year moratorium. My bank has been good to me. But they give me moratoriums. It may be in five years that the moratorium would be --

MR. BLACK: Oh, yeah. [inaudible].

MR. HAMEL: But they don't do it on a long-term basis. It's month to month.

MR. BLACK: If you and I miss a car payment they'll take my car.

MR. HAMEL: They already did. Right there.

MR. BLACK: But if he defaults on the \$20 million they'll give him ten more.

MR. HAMEL: I know. But they -- they're already planning five years interest-free. I mean, it's not a month-to-month thing. They're going to give him \_\_\_\_\_ -- I can just see him sitting at a meeting, "Give me some leeway or I'll bankrupt you."

He did it again. He conned them into it. Well, more power to him.

Here's what -- two things I'd like to run by you and see if it'd make any -- something you might jog some of your guys. EPA in Seattle. They're as far away as the region can be from the federal government. During the Reagan years. And they were the most -- they were -- you know, you'd have to see what they've done. It's unbelievable. EPA here in California state government \_\_\_\_\_ whatnot \_\_\_\_\_ and it's just the opposite \_\_\_\_\_. [inaudible]. And the succession of directors became worse and worse. Whether they were handpicked by the oil companies, the industry, whatever, I don't know, but they just got worse and worse.

And the employees tell me how awful it was memos [inaudible] director -- not director, regional administrator -- and [inaudible] and we do this \_\_\_\_\_. I don't know what happened to the memo. But anyway. And no notice of violations \_\_\_\_\_. No compliance order. And only because I put this incredible pressure that I got something out of it.

And the IG finally came down hard on the guy -- his name is Robie Russell \_\_\_\_\_ -- and he came down hard on him just a few months ago, and met with him and showed him what he was going to come out with, and the guy up and quit that afternoon. And he went to Idaho, and he was written up because he went to [inaudible] had a court case against him. At least, that's what the \_\_\_\_\_ at

the university \_\_\_\_\_ foundation people at the University of Idaho during the football game or something. [inaudible].

If the investigation -- I saw a news article a couple of days ago on the investigation, the federal government was investigating the *Exxon Valdez*, and they decided they don't have enough against them to do much about [inaudible]. But the type of thing they do, like I think at Rocky Flats one of those atomic sites, where he let them get his people showing other people [inaudible] and all that kind of stuff \_\_\_\_\_, how bad it was, and he just prevented them from taking any action, and now it's a debacle and the government will be faced with paying for it because the employees need somebody to help them [inaudible] wrong. That's how it got to the IG, because people inside went to the IG.

Well, in my case, your -- my guy at EPA told me how bad it was, and how it prevented a lot of action against Alyeska and he was dragging his feet, and more than -- so when the *Exxon Valdez* came [inaudible] and that's when he said, "Okay, go after them [inaudible] on the vapor recover issue the compliance order issue. These orders that [inaudible].

Then the attorney for EPA and their investigators, their criminal investigators, agreed that [inaudible] very clear. There's no question about [inaudible]. The [inaudible]. They created falsehoods. The reports are false. Real bad.

Now. The federal government is not going to do much about it. A lot of evidence out there [inaudible] screwed up my area [inaudible] nobody make an issue. At the time they would have been, but [inaudible].

But I thought since the attorney doing some investigations -- for example, one thing -- the attorney's name is John Howard. He investigated -- I gave him some affidavits that tankers on the West Coast, supertankers, they transfer their slop tanks [inaudible] supposed to go to a reclaiming [inaudible]. They were transferred to a barge. The barge was transferred to another supertanker going to Alaska with the ballast water. [inaudible].

But I had a problem. My source said there [inaudible] headquarters was ordered to make arrangements. The guy would normally, would be paying the claimer to come and get it, and if the barge \_\_\_\_\_ the claimer, he wouldn't have it [inaudible]. He was taking his instructions from a major oil company to do it. And he did it -- a number of times.

I never gave that information out. What I was --gave in the affidavit was Wortle? -- Jim Wortle?, the former Coast Guard Commander. He [inaudible], other guy who ran the Marine Department for Alyeska -- who were familiar with the notices, and they were forewarned all the time. Hey, we're putting crud in. You know. That'll screw up the whole plan. So when it comes in. That's what Irving Blake and them would say, it didn't pass the mustard. Nighttime disposal. Empty the whole pond at nighttime cause it can't, it can't be tested [inaudible]. The \_\_\_\_\_ treatment plant is not a treatment plant. It's nothing but a separator of all the chemicals and stuff \_\_\_\_\_.

Well, that was pretty heavy stuff when it came out. The *Wall Street Journal* \_\_\_\_\_ big article. But then it reached the administrator and the attorney.

[Side 2 of audio track begins, after overlap]

MR. HAMEL: They made perfunctory inquiries.

You know, for example, one of the Alyeska employees they inquired of called me, and said, "Chuck, my attorney" [inaudible]. She brought her attorney with her. [inaudible] that.

"My attorney told me I'd better call you and tell you, they don't want to know. They don't -- I gave them the answer [inaudible]". And she said, "But we're going to set him up." We didn't -- They didn't finish with him, but they gotta meet me again and I -- and they were -- [inaudible], I said that -- for corroboration, with my boss no longer with, \_\_\_\_\_ Alyeska, my former boss, and he knows. And he and I discussed it at length. \_\_\_\_\_.

And the attorney for EPA got \_\_\_\_\_ "well, he's gone we don't know where [inaudible]. We talked to him once before about another matter. [inaudible] And we can't find anymore. So, well I can find it [inaudible].

So the next question is, [inaudible]. And that kind of stuff \_\_\_\_\_ about.

So two weeks later, they meet again, and she had the a name and address, and I didn't want it. [inaudible].

[Inaudible exchanges; probably about the food being delivered]

MR. BLACK: Thank you very much.

\_\_\_\_\_ : Thank you.

MR. HAMEL: So the attorney had her call me again, to tell me, they just don't want to know. And they didn't. It dropped. Now, I quickly reopened it by saying, wait a minute, I know the guy who did it. Then I found out they went to the oil companies. And they did the same thing there. Guy called and told them. [inaudible] of EPA called and said [inaudible] ask the right questions [inaudible] everybody said \_\_\_\_\_.

Well, my problem at the time was I didn't pursue that any further, because my source was only on BP [?] ships, and they \_\_\_\_\_.

MR. BLACK: It was only a what?

MR. HAMEL: [inaudible]. And [inaudible]. So I let it go. But now that [inaudible] Exxon guys. [inaudible].

MR. BLACK: As sources?.

[Inaudible exchanges]

MR. HAMEL: So my message to them was --

MR. BLACK: Individual, they're coming after individuals?

\_\_\_\_\_ : [inaudible; impossible to determine who is speaking] *Exxon Valdez* \_\_\_\_\_. What \_\_\_\_\_. \_\_\_\_\_. missed our meeting on the West Coast last week [inaudible].

MR. HAMEL: -- they called yesterday and said they could meet me Sunday. But I'm going to be in Anchorage Sunday so I can't work that one out. So we're going to meet back on the East Coast. Coming back, catching my holiday [inaudible]. House in Sun Valley \_\_\_\_\_. [inaudible].

MR. BLACK: [inaudible] for a few days?

MR. HAMEL: \_\_\_\_\_ come right back. Because I did find out, through the intermediary, that these guys know everything about studying crud on the West Coast. And that [inaudible]. And my own story, that was super, I understand this company went down the tubes and I don't think *he's* working there anymore. [inaudible] Now that I find them, know when I have to find them. But at no point -- I'm always

afraid if you cry wolf you'll scare people off. No point in contacting about this 'til I had the fact which I wanted to do. They're excellent charges \_\_\_\_\_.

I also wanted [inaudible] the other guy beyond Hazelwood [inaudible] the captain of the *Exxon Valdez* when Hazelwood was not on duty. [inaudible]. I set them up with the *Wall Street Journal* [inaudible].

[inaudible].

MR. HAMEL: What I want to do -

MR. BLACK: Well, you're still making their life miserable.

MR. HAMEL: Well.

MR. BLACK: \_\_\_\_\_ you come across with all these people.

MR. HAMEL: \_\_\_\_\_ the vice president of Exxon's here in town; he's an old friend of mine from way back.

MR. BLACK: [inaudible].

MR. HAMEL: He was \_\_\_\_\_ academy before me.

MR. BLACK: Oh.

MR. HAMEL: [inaudible].

MR. BLACK: What does he think about this whole mess, though?

MR. HAMEL: [inaudible]. But he does talk to me. The lawyers told him he can't talk to me about a year ago. We were \_\_\_\_\_ each other during the [inaudible]. Anyway, they won't let him talk. [inaudible]. Stephens testifying the first time in the *Exxon Valdez* case \_\_\_\_\_. And I got up to leave, and his name is Don \_\_\_\_\_, and Don stops, and [inaudible] hearings the lights trying to get up and hurry to the next person is up there \_\_\_\_\_, and he stops and laughs and \_\_\_\_\_, grabs my wife and gives her a big hug and kiss, and turns around to Stephens and says \_\_\_\_\_ Iarossi. He says, "Frank, I want you to meet the wife of your worst enemy." Chuck Hamel. [Laughter] Stephens [inaudible] introduce me to those people. [inaudible].

MR. BLACK: Was this the guy you were telling me when I was here before you were worried about one of your sources? With the garbage issue, it was sent in return-addressed envelopes. Is this the same guy?

MR. HAMEL: What do you mean, the same guy?

MR. BLACK: This, this boat captain?

MR. HAMEL: No, no, no, no. I haven't met the boat captain yet.

MR. BLACK: No, what it was -

MR. HAMEL: What's what I have as my sources have all been using these drop boxes. [inaudible]. And I throw away the envelopes, for God's sake. I don't know how many they have, or who they have. I know of one they definitely have.

But I don't think they can move in on it. They can move in on one of my sources now [inaudible]. They've got to get [inaudible]. But they can't get it from me.

MR. BLACK: Why?

MR. HAMEL: Cause it's the law; you're providing data to the federal government \_\_\_\_\_ whistleblower and RCRA [inaudible].

MR. BLACK: But he's providing it to you.

MR. HAMEL: Well, they've already lost that battle in the federal court and the Court of Appeals, that the employees of Alyeska expect me to get the data out [inaudible].

MR. BLACK: How about four years ago?

MR. HAMEL: I gave EPA a great document.

MR. BLACK: Exxon, BP, ARCO and Alyeska \_\_\_\_\_. [inaudible].

MR. HAMEL: They made [inaudible]. So again, [inaudible] Quinn O'Connell. Is their attorney here in town?

Got to be [inaudible] group. They couldn't have had any \_\_\_\_\_ without Quinn's approval. Quinn filed on behalf of the Federal Court [inaudible] they went to court because they wanted copies of all the documents that I gave the EPA. The Justice Department \_\_\_\_\_ EPA. And the argument [inaudible].

The government can't protect me. It can protect my witnesses, and they were the ones but I'm not the guy [inaudible].

MR. BLACK: All right. I know what you're talking about.

MR. HAMEL: And that case, if went up to the Court of Appeals \_\_\_\_\_. It did go to the Court of Appeals and the court took three years to decide it, and the Court of Appeals said -- agreed with the federal judge that -- the whole argument was that if they knew who -- if they had the document, they could identify it. [inaudible].

MR. BLACK: Okay, pertaining -- I hear you. Pertaining to the documents that you end up turning them over. You don't turn them all over, you just -

MR. HAMEL: Only the ones that I turned over to them, because I was trying to get the federal government to give 'em, and the federal government didn't give. So I stopped giving new documents. That's if, I'm never giving them any documents.

MR. BLACK: But the sources still keep giving them to you, so you've got them.

MR. HAMEL: I keep giving the federal government information. I can tell them what the document is, and they can go get their own. [inaudible] I also give it to them in \_\_\_\_\_ form. I take away identification all that kind of stuff, put it through fax machine.

So all that started, but they are \_\_\_\_\_.

MR. BLACK: Speaking of documents, those documents that I looked at were documents from inside the legal department, those were incredible. Do you still have them? I'd like to spend some more time with them.

MR. HAMEL: Well, here's what's happening. I'm meeting the intermediary for that source -- two weeks -- Seattle [ca. 3 seconds inaudible], but I'm going to try to get [ca. 2 seconds inaudible]. I never ask [ca. 4 seconds inaudible] documents.

MR. BLACK: This guy just gives them to you.

MR. HAMEL: They're -- they're going through my trash, and that's the same as, as my getting their mail. I've never asked anybody for anything [ca. 5 seconds inaudible] one guy commits suicide [ca. 8 seconds inaudible].

MR. BLACK: [inaudible] meeting an intermediary. He gets -- he can get these legal documents and then he does it without you asking?

MR. HAMEL: Yep. [ca. 7 seconds inaudible]. He's getting them from someone who wants to know, who doesn't like what's going on.

MR. BLACK: If somebody legal is pissed at what's going on --

MR. HAMEL: Yeah.

MR. BLACK: They give it to him. [inaudible]. They give them to him and he gives 'em to you.

MR. HAMEL: [inaudible] the legal department.

\_\_\_\_\_ : [inaudible; impossible to determine who is speaking]

MR. HAMEL: I don't think they're going to touch him. [inaudible]. That one I know [inaudible]. They do. [inaudible].

MR. BLACK: Does George know about that guy?

[ca. 9 seconds' pause]

MR. HAMEL: [ca. one second inaudible] I thought they committed perjury [ca. one second inaudible], but they don't think so because [inaudible]. I haven't done anything about it yet [inaudible]. The corrosion that everybody's talking about. [inaudible] from everybody's point of view. It just means disaster [inaudible]. Corrosion [inaudible].

[inaudible; impossible to determine who is speaking]

MR. HAMEL: [inaudible] Along the elevated portion of the pipeline, the saddle is holding you up, see, from the ground. Now you're getting out of alignment [inaudible] it's all going to shake together \_\_\_\_\_ the whole pipeline section [inaudible]. They've known about it for many years, instead of doing something, you and I would bring in experts, they were trying to do it themselves. [inaudible]. He's constantly asking about [inaudible] and about [inaudible]. Alyeska [inaudible]. Allegedly, what they're trying to do is trying to solve the problem \_\_\_\_\_. As to what they do is they put a \_\_\_\_\_ airbag under the pipeline. They blow it up, take off the [tension?]. Vertical supports have no rig around them \_\_\_\_\_. They disconnect the oil rig [inaudible]. \_\_\_\_\_ they leave the pipe up \_\_\_\_\_. [inaudible -- something about Congressmen]. Now, they're uptight. They know they're in trouble. They know that I know about it. [inaudible] I used to know a guy [inaudible]. It's a small world [inaudible].

So when they were asked about it by George Miller -- Now in my mail, [inaudible]. [inaudible]. They've got vertical support. They've got cylinders inside [inaudible]. [inaudible]. This liquid absorbs \_\_\_\_\_ [inaudible]. They've got hydrogen gas getting in [?] there, but

they don't know how. \_\_\_\_\_ vapors on this \_\_\_\_\_, but hydrogen gas escaping, and it rises and [inaudible].

And what they've been doing is trying to suck out the hydrogen gas somehow, and reinject new more liquid [inaudible] three years ago [inaudible] they've replaced [?] maybe 40,000 [inaudible].

So it does solve the problem, but [inaudible]. But that is a whole different ballgame. Now, you start putting that stress on that pipeline, and everything is getting out of line, out of alignment, then you have a - little earthquake, and it goes this way, you gotta peel, you gotta peel that sucker back....[inaudible]....so the major, a major matter. The other thing that nobody seems to know about, and again I got my...[inaudible]..., is they keep talking about dropping...[inaudible] take away the pressure...[inaudible]...when they do catch it, when it gets bad enough, when they do catch it, their both... [inaudible]...their both...[inaudible]... picture the old-fashioned [?] ...[inaudible]...you've got to pump it up and down. You break it here \_\_\_\_ it'll fall back; You break it here, it'll come that way, so...[inaudible] hundreds of miles...they got ...[inaudible] ...so I got...[inaudible]...knowing what I know now \_\_\_\_ right words...[inaudible] \_\_\_\_ problem with my \_\_\_\_ sources now...[inaudible]...EPA does not want to find out, but now everybody's looking to the EPA, why do they do this kind of thing, and I come back with new information from new sources that show that Exxon...[inaudible]...suing the EPA for malfeasance.

MR. BLACK:

That's pretty interesting. I don't know if you can sue. You should ask your lawyer about this, but it's like you have to get, you almost have to get permission from the government to sue the government.

MR. HAMEL:

Right. Or you give a 60-day notice to sue Exxon and BP, and I've already done it, and I went to the government to get a permit and all that kind of stuff, you have to go that route anyway, but once you go that route you can almost include the government in the suit, not so much to include them, but in your discovery you can go to the government for discovery. [inaudible]

MR. BLACK:

I know. What I want to think about is not only some short-term things, Chuck, but also long-term stuff. When you, if Exxon or Alyeska or whoever it is sells to Chuck Hamel and in a month or two months or a year from now, and you're going to do what you told me, you're going to go away, what's going to happen to these sources? What's going to happen to the guy or guys that are up there giving you documents, what's going to happen to the guy that you were telling me about that you were meeting him at a park bench, or was giving you tapes, what's going to happen to the boardroom source, what's going to happen to these guys? Are they

going to be around, are they going to be able to be used by somebody else, or what?

MR. HAMEL: The ones that [AN AIRPLANE GOES BY]...[inaudible]... .... The people who are using me to do ... [inaudible] .... and I decided on this Exxon matter that at that time, whoever ... [inaudible] ... they don't want him to use it to go to Exxon ... [inaudible] ... but anyway, if they haven't settled \_\_\_\_\_ their part of the Alyeska problem, ..... [inaudible] ... [inaudible] ... work for him ... [inaudible] ... let go ... [inaudible] ... try to get another attorney ... [inaudible] ... so some of these Exxon guys are really upset... [inaudible]. You'll just have to protect them... [inaudible]...and what they have is ... [inaudible] ... well, I'll figure out how to get what I want \_\_\_\_\_ to protect them ... [inaudible] ... talking about ... and my message back to them was Yeah, I'll meet him, I'll do the ... [inaudible] ... but what have they got out west, did they make ... [inaudible] ballast water [?] ... Alyeska ... \_\_\_\_ ... If they knew somebody would talk ... \_\_\_\_ "Give me some clue, give me some help there." Do you know anything about ... [inaudible] ... nebulous, you couldn't \_\_\_\_\_ [inaudible]. Oh shit. [inaudible] ... and uh, what I needed is I talked to ... \_\_\_\_\_ ... this guy ... [inaudible] ... .

MR. BLACK: You talked to him recently about this and he said no?

MR. HAMEL: Yeah. I said ... ... myself ... .... he's on the sub-committee on water and power resources and he's got the *Exxon Valdez* thing by the ying yang, and he's the key guy ... [inaudible] ... on the outside ... [inaudible] whole House of Representatives...a lot of jealous guys \_\_\_\_\_ so if he's not giving up on it, but he can't go too far up field ... [inaudible] ... committee, so if...tankers are \_\_\_\_\_, he makes it a fishing boat \_\_\_\_\_. Alaska, *Exxon Valdez*, \_\_\_\_ right of ways along his land, federal land ... [inaudible] ... national ... [inaudible] ... him and on the way to California to his place, and all that fits \_\_\_\_\_ go to Puerto Rico he'd be in trouble. I recognize him ... [inaudible] ... and he's strong enough in this area, I think I told you, when Tom Foley talked to my wife, and she says, Hey, and he says, Hey, Candy, relax, George Miller is up there and whatever George says we're going to go with. So, I think I'd do the type of thing that you would do. My message out to the guy that I was supposed to meet until the morning was also one other thing, have you done any kind of dumping along the California coast ... [inaudible] ... Miller told me that a guy by the name of Harvey ... [inaudible] ... Harvey from Florida \_\_\_\_\_ give it to Harvey, Harvey will do something. I don't work for somebody doing something they don't know. What it is ... [inaudible] ... the message I got, now you won't believe this -- all said \_\_\_\_\_, Swear to God, \_\_\_\_\_ California or Oregon coast ... coming \_\_\_\_\_ dumping or polluting stuff there from Alaska. Well, something as bad as the

Florida Keys thing we would been do it \_\_\_\_\_ coming out of San Francisco ... [inaudible] ... George Miller, San Francisco ... [inaudible]. That, you could just run with in. Santa Barbara and all those people on that offshore thing, when they find out. What I'm going to get - I don't know what the hell I'm getting, but it's bad or worse off to San Francisco. I can't believe it.

MR. BLACK: So when you meet with this guy and if it's good, your going to give it to Miller's people.

MR. HAMEL: Well, first of all, I made - the guy is scared to death.

MR. BLACK: The captain?

MR. HAMEL: Yeah, and not for what you think, not because of a job, but because this is rough stuff, I mean other crewmen, other people can do it, driving around on the boat with you, driving around and doing drugs with you, who did it with you, and they're - your the squealer so you get away with it, how about the guy who get caught, so ... is afraid, and I think you know that when you go to a, when you change crews of a ship in a dock area you can have an accident for nothing, and I'm not being cute, that's just fact.

MR. BLACK: Oh sure.

MR. HAMEL: For nothing, and it has happened. I know one guy who requested the Coast Guard. The Coast Guard wouldn't do anything and kept asking, are you sure you want to do this, are you sure you want to do this, \_\_\_\_\_ are you sure you want to make a complaint? .... [inaudible] ..... all of the crew wants to know if he's going to continue \_\_\_\_\_. No, I'm not. Okay, when can I ... [inaudible] ... today, can you do it ... [inaudible] ... the guy was scared for about a year after that, he made a recording of the whole thing, I met his wife and she was pissed off at him for doing it and mad because she didn't want him to deal with me because of it. He was scared and she was scared, she your office somebody running through your apartment -- your driveway for some other reason, you know your "Aaah" you know, so that's the problem, and so I told them, the message I gave yesterday to them, was we're gonna get in these, we're gonna meet, we're gonna meet, but then the two times I didn't, I wasn't able - I didn't get the message the first time so I couldn't get out there on time, uh, Long Beach, and uhm, I got out through the back, I mean talking about what hotel to be at and all that kind of stuff, and so now I hope I put him at ease by telling him I will do nothing, absolutely nothing except with his approval. [inaudible] ... and I will tell him what my game plan is if I were to make a decision to accomplish what he wants to accomplish, because Exxon has done some terrible things and they will pay for it. And I will do

nothing without telling him how, what, where I'll do it uh so that he can pass judgment, and I know that I'll set up such a way that he will be happy and more protective ... [inaudible] ... first of all. Secondly, ... [inaudible] ... second ... [inaudible] ... this, I don't know if you're familiar with, but you'll try and understand. The *Exxon Valdez* and that size ship had a funny experience a month before the spill, where the crew couldn't do the work on the ship, couldn't have any overtime ... [inaudible] ... so that they could show the book records on the ship to the Coast Guard, that they didn't have to have that big a crew, there was no overtime, the guys were just goofing off, they had all this free time, and work was done for the few seconds on shore, they would bring guys from all over the place, the refrigerators not running ... [inaudible] ... refrigerator mechanic meets that ship on arrival, it comes out where their lighter and they did that kind of stuff for I don't know how many months out of the year, to be lower than, the Coast Guard agreed to lower the crew. Uh, that, I learned about, it appeared in the *Boston Globe*, who the hell is going to see it? But the guy gave it to the guy in the *Boston Globe*, and he prints it and it comes out from there to the Associated Press story. I read it in Anchorage, in the second edition of the newspaper, and nobody ever saw it, nobody in the national papers knew it was there. The *Wall Street Journal* didn't write anything, ever saw it, neither did Petrich, and I gave it to Petrich when he was in the airplane, but he didn't catch it, there were two articles on there about Alaska ... [inaudible] ... but he read the other one and didn't catch it. Threw the paper away. It took me months to find it because it was a second edition, I didn't even know they had it in Alaska, and I knew that it was in the Alaska paper and I couldn't find it and I had ... [inaudible] ... hired people to go through library and all that shit, and I finally found it, well you know, I'm like you, I think ... [inaudible] ... Well, one of the things that this captain was talking about is part of what came up at the NTSB hearings was what happened to the crew, why were they ... captain felt there was more work they had to do ... cutbacks they've done ... but he said he had to do paperwork because of accountability ... I think it's part of the defense. It turns out that I learned that the ship, that Exxon's doing the same thing right now, undermanning their ships, and no overtime, and the ships are in danger, the guy said, bad things are going to happen ... [inaudible] ... nothing's been done ... they're so short-handed and they've got so many guys quitting that they've got, they're trying to make oilers out of mess men, Exxon, ... [inaudible] ... They made a mistake years ago by taking a whole bunch of Merchant Marine academy kids.

[Side 2 of audio track begins]

California academy, ...academy... [inaudible] ...academy graduates, and they conned them into being a lower level than officers, ...navy

seamen type staff, ...for a period of time because of the long-term beauty of working for Exxon. You work long term for Exxon that's a hell of a retirement, ... great company, well-paying and what not, that it was your way to get, you couldn't come in and get a higher billet from Exxon coming out of the academy, but you could work for some lower echelon stuff you'll get the billet, and that they cut back in the '60s [?] ... [inaudible] ... I'm not going to go anywhere ... [inaudible] ... first mate be a second mate because of longevity he's not enough to become a first mate anymore, and so on. And some captain would become first mate again ... [inaudible] ... And so the whole experiment got screwed up on them, so all these kids quit, and uh, ... [inaudible] ... and so they've got no crewmen, and so their trying to get oilers, I mean mess men to become oilers on this ship, and they won't let them off at like they're supposed to, they're supposed to have so many months off, they're staying on after a month, and you get to your port and they're supposed to get relieved and you're not relieved and you want to go home that day, but you've got to sail back out with it. Everybody's pissed. Well, I figure this, and ... [inaudible] ... I figure that the defense for Exxon what they'll get ... [inaudible] ... *Exxon Valdez* case then... [inaudible] ... they admit that that was a mistake, that its - Larossi keeps saying, all the captains and mates and all that on the ship, they didn't have to ... [inaudible] ... they've got a couple ... it's just a couple of malcontents that are bitching, and it's true. The average guy is not going to say anything, what the hell are you going to say? When he gets off for sixty days or eighty, ninety days, he doesn't get called back. He opens his mouth it's for every job that in the fleet there's four guys, nows. So they whittle things down so everybody's afraid to talk. So they're running this time thing so that all of the guys are just scared to death of what's going to happen next because they're gonna... [inaudible] ...

MR. BLACK:

But are they -

MR. HAMEL:

And they're no different then ARCO or BP. They're all cutting back that way.

MR. BLACK:

We were talking about what's happening off of Florida -- this slop, the slop -- and stuff. I need to run to the bathroom, but are these guys, are they dumping this stuff because they want to dump it or is it that they're getting an order, in other words are these just a bunch of disgruntled employees that are saying they fired me and I demand that?

MR. HAMEL:

... [inaudible] ...

MR. BLACK:

This will be a quick one. Oh I've got to hear this.

[Black gets up and goes to the bathroom. While Black is in the bathroom, Hamel makes a phone call]

**HAMEL ON THE PHONE:**

In Alexandria, Metro Investigations please.

[Hangs up and makes another phone call]

**HAMEL SPEAKING TO MR. BLACK:**

The Florida Key thing....

**HAMEL SPEAKING ON THE PHONE:**

Hi, Jerry, Terry is supposed to meet me at 3:00... Chuck Hamel, and I have a problem, I'm not going to be there at 3:00, so uh, right. Oh, oh, sorry, Terry, is this Metro in Alexandria? Terry Herndon. Terry. Terry. You the answering service? Yeah, and you've got a Terry that works there, yeah, Terry. Is anyone in the office that's a Metro? ... Okay, no, Terry was coming to my home at 3:00, so if you could catch him on his, whatever, Metro finder. Metro Investigations. Mine is Metro not Metropolitan, ... [inaudible] ...okay thank you.

**SPEAKING TO MR. BLACK:**

On the Florida thing

[Hangs up and redials again]

**HAMEL SPEAKING ON THE PHONE:**

In Alexandria, Metro Investigations, uh, don't put me on the recording, I got Metropolitan Investigations and that's not who I'm calling, I wonder if there's a different one called Metro, in Washington. That's it there, 461-6900. Thank you.

**HAMEL SPEAKING TO MR. BLACK:**

The Florida thing has to be -- I call it embargoed -- off the record, between you and me for the moment.

**MR. BLACK:** Okay.

**MR. HAMEL:** Uh, I just got to tell this \_\_\_\_\_ guy, and let him know I'm covering him and if he did ... [inaudible] ... mine, I don't want to do anything, as bad as it is.

**HAMEL SPEAKING ON THE TELEPHONE:**

Hi, Jerry, Chuck Hamel. How are you? Now that he's coming to see me, I'm not going to be there. He's going to be there at 3:00 and I can't make it, I'm downtown, something came up and I can't get away. At my home. Could you track him down and tell him I'll catch him as soon as I can. Okay? Thank you.

[Hamel hangs up the telephone and continues the conversation with Black]

MR. HAMEL: Uh, because you know if he changes his mind and whatnot, I'll just have to find some new way to solve the problem. Uh, here's what they were doing. Picture a tanker that has a garbage dump, every ship has a garbage dump called a slop tank, and you get paint ... [inaudible] ...

MR. BLACK: Yeah... [inaudible] ...

MR. HAMEL: Now, they had two ships, uh, product types, that some crazy thing happened like six years ago, whether they're knew, as of six years ago, or reconfigured, renovated or extended or whatever, six years ago, somehow they showed up without a slop tank. The space was swapped and converted it to product, meaning if they get new product all the time ... [inaudible] ... and they use barrels, they've got storage space ... [inaudible] ... and a rinky-dink way of \_\_\_\_\_ the ship and all this ship got and when you clean your line you know \_\_\_\_\_ what not, and when you clean your tank from all that crap, the barrels ... [inaudible] ... and then picture them coming around the Keys, these two ships on short have ... [inaudible] ... Georgia, the Carolinas, up the Coast, from the where the Exxon refinery out there in Texas or Louisiana, whatever and they just cut across back and forth ... [inaudible] ... and these trips are probably like four or five days each way, so what they were doing is dumping the stuff. They clean their hoses, they clean their pumps and lines ... [inaudible] ... Florida Keys, and I've seen Exxon do it in Panama because they were calling me to take a, I was at the Panamanian transfer point with a tanker, going through the canal and a supertanker came in and picked a tank for Exxon. And, while we were there one of the pilots from Exxon ... [inaudible] ... so they sailed right behind us ... [inaudible] ... and as we were heading for Costa Rica from Panama, the captain said to me and -- kept telling me look at the back of radar, look at the rate that boat's going, they're right behind us, they're about two hours behind us ... [inaudible] ... and all of a sudden ... [inaudible] ... and they go further out into the ocean...clean their deck out and move back in, instead of doing it the right way, at the terminal, and getting it cleaned, they just went out and dumped it out there on the way back. So, in this case they clean their lines, dumped the sludge and dumped the waste, and it's hazardous waste and that kind of stuff, and supposedly what they're supposed to be doing is as they get to port, before they load these products, they get their lines clean. You know if you carry diesel you can't just jump back the lines to start running jet fuel so getting it all cleaned up they're supposed to do it in port, but that takes time at the refinery

takes up too much time, so they take it and clean that shit at sea. Now, if you've been on the beach in Florida, on my beach we get that as tar balls all the time ... [inaudible] ... tar balls are not seeping up from the ground. I watched a tanker go by the tanker route out there, well, and I kept hearing this guy ... [inaudible] ... their coming back from the old days of tankers and they were picking up grain, they were on their way to pick up the grain. So that's one thing. The other thing they were doing is loading up, saving up these barrels and dumping the barrels over the boat, now that's bad ... [inaudible] ... and not one boiler room ... [inaudible] ... and after the voyage the Coast Guard did their checking, spot checking on them, these guys noticed they were damn barrels on deck. All these barrels they thought they were transporting barrels of oil somewhere ... [inaudible] ... they were going to do it but man were they that night ... [inaudible] ... but just before night fall the Coast Guard ... [inaudible] ... 200 barrels, and now they were being rushed away ... [inaudible] ... and grabbed ... [inaudible] ...

**MR. BLACK:** So you said there's a vice president, are you going to tell me that somebody orders them to do this?

**MR. HAMEL:** Yes. The vice president of Iarossi.

**MR. BLACK:** Vice president what?

**MR. HAMEL:** Under Iarossi. Ever heard of Frank Iarossi?

**MR. BLACK:** Yes.

**MR. HAMEL:** One of his vice-presidents ... [inaudible] ... and, just like when they transfer the stuff to Alaska, and whatever is going out off the San Francisco coast. Now, what I thought, ... a long time ago ... so I started asking casual questions and trying to get answers, and how far back was it? And, he sold the ship last year, two of them, sold them last November. You know they're cleaning up their act since the *Exxon Valdez*. That's for sure. The thing is they don't make that much money off of it, they sell it to someone else, and someone else will, but they're still moving the product, which means that I can't believe it would be otherwise, whoever they sell it to, like you talked about, not me that other guy now, they sold him a dirty rigged ship and have no other way of doing it except dumping it and the crew would go with the ship, so I couldn't believe that it's still not being done, but now its - each tanker is a separate corporation and what not, but the owner of the tanker doesn't give a shit, he's making money, still being done it isn't hard to catch up on them. What you do here is you show your records ... [inaudible] ... What not. And, they have a way to cover their ass... [inaudible] ... paperwork ... [inaudible] ... Now we'll find out everything we can because, now I'm

glad that I'm not meeting them on the coast, because it was going to be a one-day deal, it was, the ship was in for a day each time and would get off for about an hour ... [inaudible] ... hotels and pick a meeting with them. Instead I'm not meeting them... [inaudible] ... in Alaska, I'm meeting them back here on this coast, on my vacation give him vacation ... [inaudible] ... So I'm cutting my trip short in Alaska to come back here ... [inaudible] ... and I, I've got my intermediary with [inaudible] in a couple of days... [inaudible] ... the intermediary came to me ... [inaudible] ... and they're very ... [inaudible] ... close ... [inaudible] ... this Florida Keys thing ... [inaudible] ... because ... [inaudible] ... it's unbelievable, it doesn't exist, and -

MR. BLACK: Do you know the name of the ship or you will of course know -

MR. HAMEL: You see, this man ... [inaudible] ... name of the ship ... [inaudible] ... and you asked the right question, and that's what I asked, who should I finger on the deal, the vice president gave the instructions he said get rid of this stuff on your trip. It's all I want, because these guys remember their trips enough, even though you multiple a week trips, where I'd go to the Coast Guard records now and I could find a day ... that I know and I've got me a Coast Guard... [inaudible] ... there aren't many there but I got one in this guy, and uh, for this kind of stuff-

MR. BLACK: The boarding records.

MR. HAMEL: Yeah. And, ... [inaudible] ... he'll never forget, he thought he was caught for Chrissake ... [inaudible] ...

MR. BLACK: And this is the guy you were talking to?

MR. HAMEL: Yeah.

MR. BLACK: That's great. That's great.

MR. HAMEL: You know, uh I don't think it was the captain .... but he was doing it, but just think of it, sitting there thinking you're caught by the Coast Guard, the guy's just asking you questions and leaves and then you still gotta dump it that night, that ... [inaudible] ... And then the crew, whichever guys are involved with him on the thing, and uh, what I did was I had them checked out on some of the stuff he told me, I told an intermediary, an intermediary for me checked out a couple of the sources at Exxon ... [inaudible] ... you don't want to get caught, and then very carefully asking your questions and coming up with the same story, on the barrels and on, no the slop decks, that they were doing it all the time.

MR. BLACK: What still worries me is what will happen to all this good information if you settle with Exxon.

MR. HAMEL: Well, if I settle with Exxon, I'll pass off to you if I can before I go, but if I settle with Exxon it won't be that quick.

MR. BLACK: Okay, I'm not asking that you pass it on to me, I'm just wondering if anybody's gonna get it, or do anything about it if you settle.

MR. HAMEL: Uh, well Alyeska I doubt, those guys are scared -- they don't trust anybody, and now I've solved that I won't get out unless I solve the health plan, so if I solve the health plan for them, they'll find somebody else to deal with as far as what's going on. There's nobody to follow up on Alyeska ... [inaudible] ... because a lot of people don't know the horrible stuff they're. And the government knows; the government won't do anything about it, the government is, the DEC is as crooked as -- do you know that there is less oversight of Alyeska today, than there was before the *Exxon Valdez*, by order of the commissioner of environmental conservation of Alaska? There's no human being ... in Alyeska records. Nobody's got the time.

MR. BLACK: Who's doing it?

MR. HAMEL: Nobody, there's no human being, they're doing other things. The people that are supposed to do that are doing the sewer system up in Glen Allen, the cannery, the problems over in Cordova and the septic tanks in \_\_\_\_\_, and the officers are not going to Alyeska unless Alyeska calls them and says there's something wrong. I mean, that's what I'm trying to tell ya, I'm not going to try and change that and you're not, you can't change that, that's crooked, I mean come on, there are other things to do in life. This guy commissioner of the DEC and his deputy are just bought and paid for. I regret it, but they'll be looking for a job next year, and for example that's why the EPA acts so proud. Because the state did nothing so the EPA stepped in. When the state doesn't do it \_\_\_\_\_ state didn't do anything so EPA did step in... [inaudible] ...what the state should have done, and the state guy went here. Sidney, highly trained in this thing, he's pissed because he can't do any his boss won't let him do any. So anyway, I, I don't expect much from the state. That's why ... if I do what I do ... [inaudible] ... But it won't go away, ... [inaudible] ... I'll make sure that ... [inaudible] ... put everybody wherever I can put them. But I've got to get out because I can't do this forever. First of all I can't afford it. And I gotta, ... [inaudible] ... I gotta ... finish it off. And... [inaudible] ...environment on projects for the insurance company to a structured settlement, so ... [inaudible] ... hanging there, you know how many of them are hanging there, dragging on, dragging on because the politicians are afraid to move, because you know what if they get accused for having a

sweetheart deal, and the companies aren't moving because they're not giving them out, they're being told to put in \$50 million but something happens and it's \$2 million, so they can't give out their books anyway so why bother? And I'm trying to find a way of getting it off their books. ... [inaudible] ... we're putting up so damn much money down the road. Down-the-road money is easy to get; it's the up-front money that's hard to get, and it's the down-the-road period that everybody's afraid of. So you get a Japanese bank to give you a letter of credit for down the road and it's good money, 'cause you're talking, I'll give you an example like one I was working at a couple of years ago... [inaudible] ... I forget how many other ... [inaudible] Boeing [?] was in for \$26 million... some of those guys are going out of business ... [inaudible] ... Boeing could put two more billion in it and you've got it taken care of and those guys, and that \$2 million become the tail end of the project, that \$2 million now become \$20 million so many years from now, and if it doesn't, if it's not needed, the government can get it for some other fight. And nobody sits down and does that kind of a deal. So I've got a good team, a John Hancock guy has a MBA outta Harvard ... [inaudible] ... corporate attorney ... [inaudible] ... we've been playing with this for a long time, and we have a meeting next week and we'll starting with the railroad, the railroads are fucked up, then they insure themselves for the rail cars that go and bother people everywhere, environmentally, but they never even insure their own property, because you know the railroads how smart ass they've gotten, that right of way, you couldn't get on a right of way with a pipeline or a ... bicycle path ... They won't let you hear, it's theirs. And they've always felt some sovereignty. So they've never insured themselves. And a couple of them now are in deep shit for not having insured themselves and a lot of money. And there's some answers for those guys, so I've got interest in the railroad, and also trying to do something for the hearing aid lawsuits. You know what the reserves are for the railroad for hearing aid lawsuits? ... [inaudible] ... Somewhere around a billion or more dollars. And they're not getting. ... [inaudible] ... Putting together a group \_\_\_\_\_ ten good guys that were, we're gonna let them buy \_\_\_\_\_. ... [inaudible] ... Insurance company, the insurance company takes over the responsibility. Enough reserved, ... [inaudible] ... get it off their books, and our group are going to settle with these guys, and go settle, go do it, the same way they are, but they're putzing around, they got the old claims people on these railroads ... [inaudible] ... but the chairman ... going bananas over there ... [inaudible] ... so we've been ripping them on - my guys are striking a settlement with the guy from the railroad and we'll take over all these claims and settle them out with the company with time ... [inaudible] ... clean the books, but at the same time were at the beginning with that were waiting for the next phase, and then there's the environmental stuff. They've got some terrible fighting. The railroads are paying guys and

taking shit off and moving, and they know the guys who came in there and dumped it, but the railroad's gotta go pay the penalty. But listen, I'm gonna let you rest -

MR. BLACK: I'm expecting, I'm supposed to get a call at 2:30 that I'm expecting at any second now, that's what I keep on looking at my watch for so I could do a couple things, uh....

MR. HAMEL: When are you leaving?

MR. BLACK: Probably tomorrow.

MR. HAMEL: At what time?

MR. BLACK: 9:00, 10:00 in the morning.

MR. HAMEL: And what are you doing in the morning?

MR. BLACK: ... [inaudible] ...

MR. HAMEL: You're doing nothing, your going to have breakfast at the airport, what airport, this airport?

MR. BLACK: Yeah--National.

MR. HAMEL: What I'll do is I'll park the car here and we'll have breakfast over there or whatever, while we wait for your plane.

MR. BLACK: Okay, I sent a note to, to the computer, to the computer guys about doing that program for. Did they say anything to you about that? ... [inaudible] ...

MR. HAMEL: Yeah, there's no problem, I think they're waiting on you... [inaudible] ...

MR. BLACK: --We're waiting on Rick, all we need to do is-- Rick and I are kind of waiting on them -- Just wondered.

[Hamel gets up to use the telephone]

MR. HAMEL: Who ordered a limo?

MR. BLACK: ... [inaudible] ...limos

MR. HAMEL: ... [inaudible] ...stretch limo.

MR. BLACK: I need a regular limo.

[Hamel speaking on the telephone]

Hey Ken, I'm at, here at the Crystal City Hotel with Wayne Jenkins from Florida. He hasn't heard back from you all on that proposal. All right, it's in the mail. They never got the letter. No. Okay, just a second.

[Hamel speaking to Black]

I think what happened is he figured that Rich wrote to you. Rich told me. ... But he says he sent a package out ... [inaudible] ... yesterday, but he says your technical man went on vacation or something.

MR. BLACK: Yeah, he was out of town, but he'll be back on Monday, but did he send it to that address?

[Hamel speaking on the telephone]

Did you send it to, that's perfect, okay.

[Hamel speaking to Black]

I never noticed he had a doctor in front of his name. Dr. Wayne Jenkins.

MR. BLACK: That's the guys that did that, those silly..

MR. HAMEL: I thought he was strictly a what are those called, one of those MBA types, but I didn't know he was a doctor too, gees, now I want to see what Ricky is, what's Ricky?

MR. BLACK: Ricky's cute.

MR. HAMEL: Cute, all right.

HAMEL SPEAKING ON THE TELEPHONE:

Listen, that's fine, thank you much.

HAMEL SPEAKING TO BLACK:

Yeah, he said he sent it to your attention just yesterday... [inaudible] ... He said your technical man was on vacation or something, so he says I didn't have to hurry-- So you got your Ph.D. in-

MR. BLACK: Political Science.

MR. HAMEL: Political science? Good for you.

MR. BLACK: Yeah, yeah, of course the marketing people when I first started this insisted, when they took a look at the resume they insisted that we-

MR. HAMEL: I'm gonna call you doctor all the time ... [inaudible] ...okay, here's what I'm gonna do. I'm gonna let you go and rest, I can't send you home sick. I'm going to I'm going to be home tonight, if anything comes up, if you need anything, if you're not feeling good or whatever.

MR. BLACK: I'm feeling better.

MR. HAMEL: If you need a doctor, I got one of those.

MR. BLACK: Okay, I'm feeling better, that Pepsi helped and those things. Well, I'm excited about your, your upcoming trips, when you're gonna be meeting those guys, -- it's.

MR. HAMEL: Meetings all the time.

MR. BLACK: --Sounds really good.

MR. HAMEL: The uh, the DEC is getting rid of Dan Lawn. Dan Lawn is the, was the DEC guy that ... [inaudible] ... hasn't been charged with overseeing contingency plan, but they don't--

MR. BLACK: I saw a special on him when I was in Alaska.

MR. HAMEL: Front Line, you mean?

MR. BLACK: Yeah, some kind of a deal being interviewed. He was raising hell.

[The phone rings and Black picks it up.]

MR. BLACK: Hello. Oh, how you doing. Good.

[Hamel gets up to leave]

MR. HAMEL: Ok! Call me.....I'll be home.....

MR. BLACK: [speaking on the telephone] Hold on, Hold on a second.

[speaking to Hamel] All right, sounds good.

MR. HAMEL: Do your thing and we'll talk this afternoon or this evening.

MR. BLACK: Catch you later.

MR. HAMEL: Or tomorrow morning or whenever.

[The two gentlemen proceed to speak outside, however the conversation is inaudible].

MR. BLACK: I'll talk to you soon. Thanks, Chuck.

The time is 3:05 p.m., Hamel just left the room.

**2499**

**F2R416219**

Exhibit 47. August 15, 1990: Ecolit answering machine tape

Prod. no.: Audio, F2R410844.

The messages appear to have been recorded over a period of several days, but the tape is marked "8-15-90."

MS. RICH?: Uh, this is a test: 1 2 3 4 5 . . . 5 4 3 2 1.

MS. RICH?: Testing: 1 2 3 4, 5 2 3 1 . . . testing.

\_\_\_\_\_ : . . . Farmer with U.S. Signs [?] in Houston, Texas, area code 713-869-1000. I need to clear up the Watkins Motorline freight claim. Can you please call me tomorrow morning? Thank you.

MR. HAMEL: Wayne, this is Chuck Hamel. I'm still up in the San Juan Islands. We're going by ferry boat from island to island and several days ago, my answering service gave me a message from you which was not understandable. They are not very good at this, obviously, and the next message I got was for me to call you. If you can, call my answering service and literally tell them that I've asked for them to take the time to write down what you dictate to them. Give them the message about that early message, what you said. I will be continuing on these island hops and if you can give me a number to get you over the weekend, I'll call in again later today . . . this evening. It's 3:30 your time on Friday afternoon right now. I'll be in Seattle all day Tuesday going around different EPA offices and flying home very . . . during the night flight, red-eye flight Tuesday night. I'll probably be around my Marysville number by Monday afternoon, which is 659-1714. My father-in-law has a recording. If he records it, that's fine but if you get to talk to him, he'll be pretty confused. Just tell him that Wayne called and I'll get back to you. Thank you much. Bye-bye. I'm having a -- first vacation relaxation in five years. Very nice out here. Talk to you later. Bye-bye.

MR. HAMEL: This is Chuck Hamel calling for Wayne Jenkins. Wayne, I'm off the islands now. I'm back in the Seattle area and staying with my father-in-law at 206-659-1714. He has difficulty understanding messages so just tell him that Wayne called. Leave a number if you can. Hopefully, it will be on the recording machine. Otherwise, leave word with my answering service in Washington, D.C. what the opportune time to reach you in the next couple days. I have some real interesting things happening here, that's why I'm delaying my return. I'm not going back tonight. I'm meeting with some ship's offices [officers?] here in the West Coast . . . other ones, that I have

... didn't know about when I talked to you. So I won't be returning to Washington until about Sunday night. Chuck Hamel. Bye-bye.

\_\_\_\_\_ : I'm sorry I make a mistake in the call. I'm sorry very much.

\_\_\_\_\_ : Hi, I'm calling for Lesley. My name is Manny. I'm with Beautyworks. The number is 271-9400. It's 9:00 on Monday. Thank you.

recorded voice: If you'd like to make a call, please hang up and try again. If you need help, hang up and then dial your operator.

\_\_\_\_\_ : Hi, this is Rod calling for Lesley. It's 6:30. Give me a ring when you can. Bye.

MR. EWELL: This is Ken Ewell at M I T I ReadWare Technology. It's 11:48 a.m. on Monday morning in Washington, D.C. I'd like to talk to Dr. Wayne Jenkins or your technical guy there, I can't remember his name. My number is 202-337-2013. Thank you.

MR. HAMEL: Wayne, this is Chuck Hamel. If you're, pick up the phone over the weekend, give me a call, 703-549-0515. Thank you.

MR. HAMEL: Hi, this is Chuck Hamel. No one's ever answered this phone. Is this a phone booth? [laughter] Wayne, give me a call when you can. I'm leaving. This is Monday morning at 9:30. I'm leaving early afternoon for New York and Boston on that trip. Give me a call when you can.

MR. HAMEL: This is for Wayne Jenkins. This is Chuck Hamel calling. I'm on the highway in Boston and would you talk to Wayne, would you ask him to call my office, my home . . . speak to my wife Kathy and work out some arrangement for me to talk to Wayne by phone the next day or tonight or tomorrow. It's East Coast time, 5:00. Thank you. Bye-bye.

**2502**

**F2R416222**

Exhibit 33. August 16, 1990: Ecolit's Miami answering machine  
Prod. no.: Audio, F2R401001.

MR. HAMEL: Wayne Jenkins, this is Chuck Hamel. I am at 203-274-4842. It's my mother's home. This is 9:30 in the morning, Thursday. My mother will be alone some of the time today so you just tell her that Wayne called and I think she'll get the message for me. I'll be in and out all day. I'm ready for bear now. We're ready to go lay something in front of you that should be real fun. If you can't find me easily call Kathy. She'll track me down for you today. I left word on your digital but I don't know if it works on this phone. Bye-bye.

**2504**

**F2R416224**

Exhibit 18. August 18, 1990: Meeting at Hamel's home and elsewhere

Prod. no.: **Audio, F2R400338; orig. transcript, F2R412001-019; enhanced audio, F2R416165.**

[Inaudible]  
[Pause]

MR. BLACK: Do you all work in the same place?

All right. Let me know, and I'll put a preface on there, if you want to do it, unless you're recording already.

**MR. LUND:** I am already.

**MR. BLACK:** Today's date is the 18th. It's approximately fifteen minutes until 1:00. I'm pulling up to the residence of Charles Hamel on Quay.

[Pause]

**MR. BLACK:** Still trying to find a place to park.

[Pause]

**MR. BLACK:** I'm off the radio in case you're trying to raise me. I'm off the radio.

[Pause]

**MR. BLACK:** Just information, we're so close to the Chart House where they want to have dinner, I'm going to ask them to keep the reservations for 6:00, and you'll be able to monitor our conversations, at least walking to the place.

[Pause]

**MR. BLACK:** Kathy's outside with the mailman. I'm going to pull into the driveway.

[Pause]

MR. BLACK: Chuck's now coming to the door. Pair of shorts on, light blue, short-sleeved shirt.

[Pause]

MR. BLACK: I'm parking my car in his driveway.

[Pause]

MR. HAMEL: [voicing various numbers, apparently the combination to his driveway gate (433323?)] . . . That's good [gate opening]. It's open.

MR. BLACK: How are you?

\_\_\_\_\_ : [Inaudible]. Go for a ride, man.

MR. HAMEL: Okay. Have a nice ride.

\_\_\_\_\_ : The a . . . The a . . . You can pick it up Friday. Here's your ticket.

MR. HAMEL: Okay. Good, how are you, sir?

MR. BLACK: Super.

MR. HAMEL: Good, was it a nice ride, Muffin?

MS. HAMEL: Hello.

MR. BLACK: Good to see you.

MS. HAMEL: How are you?

MR. HAMEL: [Inaudible]. Okay, Muffin, nice ride, huh? I knew you'd like it. . . Hold that door, and [inaudible]. You want to go to mommy?

MR. HAMEL: [Inaudible]. Good boy!

MR. BLACK: How you been?

MR. HAMEL: Oh, not too bad. [Inaudible - two words] thousand miles a minute trip.

MR. BLACK: I'll bet.

MR. HAMEL: Do you want to tell me about this paper when it comes in? I'm looking for Alaska and stuff. Every once in awhile I find something on the national news that I missed between the *Wall Street Journal*, the *New York Times*, and the *Washington Post*, I still miss, because I don't read them all.

MR. BLACK: Yeah.

MR. HAMEL: [Inaudible] I find something ten days later or a week later and I get that in the paper. Do you have your [new] office?

MR. BLACK: Yeah. I've been there once. I've got a computer guy over there today, working on some stuff, getting it set up.

MR. HAMEL: One of your guys?

MR. BLACK: Yeah, one of our guys. And -

MR. HAMEL: Came up?

MR. BLACK: Yep. And got, got two other people up here. I've got a lady named Sherree Rich who's running the office, going to be running the office.

MR. HAMEL: She's moving up here, or -

MR. BLACK: Yeah. Moved her up from Tampa. Trying to find her a place to stay right now. She's out looking at apartments, I think, today. And I've got a computer guy who's going to be up here through next Thursday. He's putting some software in. I've already told him to get a password set up for you, in case you want to get in there, come in there and check her out.

MR. HAMEL: What -- so did this woman used to work for you guys down in Tampa, or what?

MR. BLACK: No. We hired her -- she's a researcher. We hired her just for this. Just for this. Just to come up here and [inaudible] and -- this headhunter found her and she --.

MR. HAMEL: [Inaudible] Why [didn't?] you find someone up here?

MR. BLACK: Didn't know anybody I could trust up here. I interviewed a -- I interviewed a couple of paralegals that we knew, and they just wanted too much money. These people want, you know, \$45,000.00 a year. So I got her for 29 and expenses. Yeah. She's a young kid, 28, 29, real energetic, real aggressive, wants to do some stuff. Wants to

maybe go to law school or something.

MR. HAMEL: Ah, super.

MR. BLACK: So. That's great. So we'll see what happens.

MR. HAMEL: Holy mackerel. You guys are still - I still - I still don't understand. Who are you guys? I still - I am going to start from scratch. Start over with you. Who are you?

MR. BLACK: We're a group of people, or Ecolit, actually - I mean, we're who we are, but Ecolit is a group of people that are backed by this foundation to do research preparatory for litigation. And I don't know -

MR. HAMEL: Who founded the group?

MR. BLACK: Well, at least - I told you before, the Trumps -

MR. HAMEL: Yeah.

MR. BLACK: The Trump group. And it's not the bankrupt Trumps. It's the South African Trumps, which is a big - they're big builders, and -

MR. HAMEL: Not this Trump?

MR. BLACK: Not Donald. Oh, no. God no. Oh, he's got some financial problems. That's what -- we laughed about before.

MR. HAMEL: Yeah. That's who I thought you were talking about.

MR. BLACK: No, no, no. This is a group of people, the Trumps -- the Trump brothers, actually -- and -- what --

MR. HAMEL: Oh.

MR. BLACK: Yeah. They're South African. And they're tired of everything, from pollution to whatever, and so they wanted - actually, they got started - they wanted to get started when the *Exxon Valdez*, when the spill first took place, and so we were late, and that's how, I guess, we ran into you, how Ricki ran into you. We were sending Ricki to those conferences --

MR. HAMEL: Sure.

MR. BLACK: -- and that's how we found out about you. We heard about you before, but --

MR. HAMEL: So you were that new?

MR. BLACK: I was brand new.

MR. HAMEL: Oh, I didn't know that.

MR. BLACK: Yeah, that --

MR. HAMEL: Oh, I thought you were operating for a while.

MR. BLACK: I was brand new. Now, some of the people in the different cities have been doing paralegal work, investigative things, litigation, you know, research for years. And what I do, my function is to coordinate it. I'm the person that the law firms say is user-friendly, to use computer language. I can tell them what they need and develop ideas, and -- and different things.

So, probably --

MR. HAMEL: Who runs the whole outfit?

MR. BLACK: I do. I answer to a board of directors. It's a bunch of people. Some of them are -- actually, there's twelve people on there right now. Some of them are in the energy business, believe it or not. It's not anybody you know, or anybody connected with Exxon or anybody like that. But they are related to business, power company executives and things like that who, on the one hand, earn their bread and butter from energy-related things, but on the other hand, are tired of what's going on with everything from the reefs in Florida to the -- you know, to Prince William Sound, and things like that. So they said, "Look. We'll fund it for awhile, see how -- we'll totally fund it. Let's plan on totally funding it" -- A --

MR. HAMEL: The Trumps are saying this?

MR. BLACK: Yeah. We'll totally fund it. We'll give it a year-and-a-half. And - but --

[Dog sounds]

MR. HAMEL: Yes. Okay. Okay. All right. [Inaudible]

MR. BLACK: We'll give it a year-and-a-half --

[Inaudible]

MR. BLACK: -- and see if you can generate income during that time. Well, our original marching orders was to do three or four cases where we could get some punitive damages and generate some income.

MR. HAMEL: [Inaudible]. You ought to talk to those people, too. Go out and they do something like that, and the Judge says, "Okay. Well, for your trouble, you've done some good here" --

MR. BLACK: Same thing as --

MR. HAMEL: [Inaudible].

MR. BLACK: Same thing as the Sierra Club. But what we're able to do, at least out west -- we've got a case going out west -- we're able to bill by the hour. So we're billing out between \$75.00 and \$150.00 an hour for our research time, our preparation time. And what that is, basically, is that we're getting -- we're cranking up witnesses.

To file a suit, for example, if you get a good suit going, you need affidavits or people.

MS. HAMEL: [Inaudible]. Want anything to drink at all?

MR. BLACK: I'd love a -- I'm dying of thirst. I'd love something. 7-Up, whatever you have.

MS. HAMEL: Chuck?

MR. HAMEL: [Inaudible]

MR. BLACK: Yeah, 7-Up [inaudible].

MR. HAMEL: Any diet drink that you got, Kathy. [inaudible]. -- over that window, Kathy, is that from that --

MS. HAMEL: That was from me. I sprayed it and all the dirt from on top came down.

MR. HAMEL: Sprayed it with what?

MS. HAMEL: [Inaudible]. . . . with the hose outside.

MR. HAMEL: Oh, okay. I thought it was --

MS. HAMEL: I need to get out and wash it now.

MR. HAMEL: I thought it was the heat pump?

MS. HAMEL: No. No. That was my doing.

MR. HAMEL: Oh, that's all right - I feel better. [Inaudible] heat pump could do that to you. - Sorry.

MR. BLACK: So anyway, where was I? Out west, I think. Anyway, we were able to bill out by the hour, computer by the tenth of the hour. So we use a little peg slip system, same way law firms do. So we say, "Conference with this guy."

We prepare witnesses. We'll get a witness in. Let's say, if your guy ever wanted to come forward. We'd get him in, prep him. Get his - get an affidavit from him, basically, to be part of a complaint. In a case like that, in a big dumping deal, you really need a live person. You need somebody that can say, "My name is Wayne Black. I'm over twenty-one years of age, and I saw the following things." And then you back that up with evidence and things like that. But that's what we do.

MR. HAMEL: And then you go out and find a lawyer to do it, or what?

MR. BLACK: Yes.

MR. HAMEL: Do you guys have the lawyers, or what?

MR. BLACK: Yes. We're both. I take it to the board, and they say, "Okay. Here's who we want to use in this area."

One of the things that has piqued me and drove me crazy since I - since you first let me look at some of the documents - I see you finally straightened your boxes up. Last time I was here, they were all over.

MR. HAMEL: Yeah! on every floor.

MR. BLACK: Oh, okay. One of the things that piqued me -

MR. HAMEL: For some reason I have a stack of [inaudible] boxes.

MR. BLACK: - we've got a rather nasty, protracted litigation going out west against a firm called Gibson, Dunn & Crutcher. I see a smile, but that's the firm that Alyeska uses. That's an Exxon firm, and they - I mean, this firm lives and breathes as a result of their support from Alyeska. That's why, when I looked at those legal documents, I was really so - I want to look at those again.

MR. HAMEL: [Inaudible 10 words]. I want to look with you if you ever want to . . . My fear was – I've been so hurt, and so much money has been spent against me for these proceedings [inaudible 5 words].

MR. BLACK: Oh, sure. I don't blame you.

MR. HAMEL: [Inaudible]. . . a lot cheaper but I'm not sure, yet, where it's at, because I just keep seeing myself. I can't make one mistake. They can make 50,000, and they're ahead, and [inaudible 4 words]. I make one mistake [inaudible], and I'm dead.

MR. BLACK: Yeah. I don't blame you.

MR. HAMEL: [Inaudible 2 words].

MR. BLACK: I don't blame you, especially those documents. Those are so powerful, you know. Attorney-client privilege documents are so powerful, you really have to be careful with those. And I don't blame you. I don't blame you for holding those close.

MR. HAMEL: The people in that case kind of look at it like their case has been blown.

MR. BLACK: I know.

MR. HAMEL: But I don't mind [inaudible].

MR. BLACK: Oh, no. What I want to do – and that's why we'll go to the office, and maybe the – maybe my computer guy can make some sense out of – out of explaining to you what the hell it is he's doing with ReadWare, what he wants to do with ReadWare. He's plugging in that, and see if it works.

He's really sharp. He's a genius. He says that he may need to talk to you all, and –

MR. HAMEL: Oh, absolutely. Is he going to be here for a few days?

MR. BLACK: Yeah.

MR. HAMEL: You will leave on the weekend. He works every weekday.

MR. BLACK: Oh, I'm here during the week. You can come over and sit with him and understand it.

But anyway, that's why those things are so, so important to me, because you – it's like -- it's like the quarterback, the quarterback that likes to throw to the left, the right, up the middle, they like to

throw the same way every time.

MR. HAMEL: [Inaudible 5 words]. . . your case. . . .

MR. BLACK: Sure, love it.

MR. HAMEL: [Inaudible].

MR. BLACK: That's the other side of a big, a big high-risk case. The biggest - the first big one that we're going to trial on.

MR. HAMEL: What kind of case is it?

MR. BLACK: Toxic. Toxic disposable deal.

MS. HAMEL: [Inaudible]. You guys want to go upstairs?

MR. HAMEL: No. We're going to go to see [inaudible].

MS. HAMEL: All right.

MR. BLACK: Yeah.

MR. HAMEL: And is your friend going to call here, or on your machine?

MR. BLACK: She's going to page me.

MR. HAMEL: And we'll be back for a couple of hours?

MR. BLACK: But I think you should keep -- if you've got reservations for 6:00, keep them.

MR. HAMEL: Okay.

MR. BLACK: Can I get in there like this? Okay? Chart Houses in Miami are great.

MR. HAMEL: [Inaudible]. They're great.

MS. HAMEL: They don't change.

MR. HAMEL: We use it -- [inaudible] down the hill from our house, and Annapolis is on the water, and we always go to it down on the water. Food is fine and always the location. . . [inaudible] is pretty good, and they're right here across the street. So -

MR. BLACK: You don't even [1 word].

MR. HAMEL: [Inaudible].

MR. BLACK: Oh, that's great.

MR. HAMEL: Kathy tried it out the other night. She was quite pleased with it.

MR. BLACK: Do they have a big salad bar, like most of them do?

MS. HAMEL: [Inaudible].

MR. BLACK: Yeah.

MS. HAMEL: Also something that they didn't have in Sun Valley or Annapolis, they have a gigantic Caesar salad bowl.

MR. BLACK: Oh, really? They don't have that --

MS. HAMEL: Full of Caesar salad.

MR. BLACK: They don't have that in Miami.

MS. HAMEL: Above and beyond everything else. It might just be a good [3 words inaudible].

MR. BLACK: Yeah.

MS. HAMEL: No. They're there for three months.

MR. BLACK: Do they have a big thing of caviar there?

MS. HAMEL: I didn't see that.

MR. BLACK: In Miami, they have a big -- just -- I don't know how they make - - how they don't lose it. They have big bowls of caviar.

MR. HAMEL: Oh.

MS. HAMEL: I didn't see that. But then, my introduction to caviar --

MR. HAMEL: [Inaudible].

MR. BLACK: Me, too. I just take the bowl back to the table.

MS. HAMEL: Oh. I thought it was blackberry jam. The first time I had caviar I was about eight years old, and I had a great, big, fresh bun, biscuit, and I just loaded this with blackberry jam on top and I took my first bite, and I never cared again for it.

MR. BLACK: What was the movie? The movie "Big"? Did you see that one?

MS. HAMEL: No.

MR. BLACK: Big big guy, -- the little kid that would make some wish or something and he gets big all of a sudden, and he goes to this party and he eats caviar because he thought it was jam -- that's why it reminded me of that. And he attempts to wipe it off his tongue with a napkin. And he's going [sound] like this, and he's wiping it off -- and they give him baby corns, you know, and he goes like this and tries to roll them -- its funny. That was a funny movie.

[Laughter]

MS. HAMEL: I had never even heard of caviar, at eight years old.

MR. BLACK: Yeah.

MS. HAMEL: But a great buffet up in Vancouver, British Columbia.

MR. HAMEL: We'll be back in a couple of hours, and I don't have anybody that's got to find me, except -- I've got to do Roy sometime today that's all.

MS. HAMEL: Okay. Did you want to try to change the times of the reservation?

MR. HAMEL: [Inaudible].

MR. BLACK: Yeah. I think that's fine. If she's going to be back at all tonight before 10:00 or 11:00, she's going to be back --

MR. HAMEL: Before -- oh, at all tonight [inaudible]?

MR. BLACK: I mean, if she's going to be back tonight, she's going to be back that early.

MR. HAMEL: Now, I'll have to ask her about that one.

MR. BLACK: She went to school with a couple of people that live up here, so she's doing that, you know, [gatting?] and all that stuff. You know.

MR. HAMEL: If she gets back at all tonight.

MR. BLACK: She'll be back tonight. She'll be back tonight, or I'll lock her out.

MR. HAMEL: You can't lock her out if she doesn't come back.

MR. BLACK: That's true.

[Laughter]

MR. BLACK: That's right.

MS. HAMEL: This is an official fiancée?

MR. BLACK: This is an official, 100 percent -

MR. HAMEL: [Inaudible]. Not a niece?

MR. BLACK: -- fiancée --

MR. HAMEL: [Inaudible].

MR. BLACK: This is not a niece. No. This is not a niece. This is serious.

MR. HAMEL: [Inaudible]. He's got more nieces [inaudible].

MR. BLACK: Yeah. This is serious, serious. So. Anyway. Yeah, she's great. Great people.

MR. HAMEL: So this. That kind of case could go on forever.

MR. BLACK: Yeah. I understand your apprehension, and I don't blame you. We're - I'm getting more and more, especially since I got that letter from up there, I'm getting more and more paranoid or anything like that, but just more and more careful. We're password-protecting everything. If someone breaks into our office, it's not - you know, it's not a problem to us.

That's the reason that we took this, this office over there at that location, over at -

MR. HAMEL: For example, when they went down on Dan Lawn [Inaudible]. [Inaudible sentences - 15 seconds] [Inaudible] security guard [inaudible] ex-FBI agent who was able to say \_\_\_\_\_ employee, \_\_\_\_\_ official of Alyeska stole some documents [inaudible -- 20 seconds]. . . . [inaudible] it's so secret, you can't even talk to Dan Lawn about it. [Inaudible].

These guys are really - they got people answering their questions that way.

[Laughter]

MR. HAMEL: [Inaudible] Dan Lawn is the guy who is on sabbatical for 1 year, anyway. These guys go out of their way a little bit.

MR. BLACK: I saw him on, saw him on TV one of the times that I was up there. He was on TV, talking about a spill drill, or something. Some kind of special. He's got a beard, right?

MR. HAMEL: Yep.

MR. BLACK: Yeah.

MR. HAMEL: [6 words inaudible].

MR. BLACK: We don't have it from the head up.

MR. HAMEL: What about [Rudermarkoff?]. He called me three times a day. I got to help him. He screwed up royally on that Front Line show. He let them lead him along so he took the thing for the truth. And he became the myth. He became the center of the show with things he didn't do. And that has come back to haunt him. And he got carried away. He forgot what he did and didn't do, you know? He's been in TV business for a year . . . [inaudible]. And now that his assistant became head of the office, he's nobody. He's in the corner. They're ready to take the phone away from him. He is ready to jump off the [2 words inaudible].

I keep telling him, 'Hey, Chris. Better get another job. Better get a job from there. . . which I'm working on getting something. He's not the smartest guy in the world to do it. When he screws up, he does it well.'

MR. BLACK: Yeah. Did Nye ever come up here?

MR. HAMEL: Yeah. He spent a few days here. One of the funniest things in the world. [3 words inaudible] is here [2 words inaudible], and his first day here they just go to bed and the phone rings.

MR. BLACK: Oh, they were staying here?

MR. HAMEL: Yeah. Yeah. The phone rings, and it's -- one of my guys calls me and says, 'Hey. Alyeska is putting the rim coolers back on the turbine.' That's the deal if they shut the pipeline down, slow it down, I don't care where -- a couple of weeks back, they shut the pipeline down --

MR. BLACK: You told me about that.

MR. HAMEL: And that way . . . yeah. And they're off. So a federal judge put a stay to his order, and then they negotiated something with Kelso. Kelso is a bad person, he is. Commissioner Kelso just got a big

award from the President of the United States for being man of the year -

MR. BLACK: Yeah, yeah.

MR. HAMEL: He was helpful during the spill [in August?] - he is in Alyeska's pocket [inaudible]. Because that is that. The environmental community of Alaska will attack anybody, go anywhere, without sitting down . . . Commissioner Kelso, do we or don't we [5 words inaudible]. \_\_\_\_\_ know it, but when you don't know it - I didn't know it for a couple of years what Kelso was doing, some things you gotta live with to me, but after a while you get smart and you start finding out.

But anyway, counsel worked it out and made this deal with him, where they'll hurry up and do what they were supposed to do, for EPA, but they won't be in violation. So they can always say, "We weren't in violation."

But one of the things they had to do overnight was, they were running the pipeline, turbine, at twice their speed. An example, a car was cruising at 55. You run it 24 hours a day, 110, you're going to spit out carbons like you wouldn't believe.

[8 words inaudible] They went from the optimum speed in RPMs the turbine was operating on, and ended up with, a [pause] not having put an extra turbine [3 words inaudible] through a pipeline. They were shoving it through. They were forcing it through. But it's spewing out incredible tonnage of hydrocarbons.

So they had to take -- they put rim coolers on it. . . . [the deal?] at RPMs, certain kind of cooling system. So they had to dismantle the rim cooler by a certain -- by the judge -- by the time of the judge's order.

And they did. They dismantled it, and slowed those things down and [9 words inaudible].

The night that Ray Nye was here, we got a phone call from the guys that were putting the rim coolers back on. You know, you never know, again, when you're being set up -- not by my guy, but he could be set up, because they know who he is, I'm sure. . . . from the . . .

MR. BLACK: This is the guy you were telling me about --

MR. HAMEL: The dumb shit.

MR. BLACK: -- that sent return-addressed envelopes, or something?

[Laughter]

MR. HAMEL: Most don't . . . [10 words inaudible]. So he told me the boss was telling him and a few other guys, that they were going to move the pipeline up by 400,000 barrels a day, that -- to hell with the parent company and to hell with the environment. We'll take care of that in Washington. We've got the right contacts.

[Inaudible]. And they put the rim coolers back on. And you know -- it's hard to believe that they would do it that quick. They . . . waited [way?] publicly, that they got permission publicly.

So I told Ray Nye and he laughed: "No, it wouldn't happen."

The next day, I got a call from another guy. And he said [someone?] put him up. [Inaudible]. I don't have a lot of contacts, but I got the key ones. And he -- he put it on.

[Laughter]

Okay. Then I had Dan Lawn -- I'd mentioned Dan Lawn -- he talked to a guy at ARCO who wanted something from him -- an official way up at ARCO, who confirmed that ARCO is a party to it, and they're going to run 400,000 barrels a day more.

Now this, a couple of weeks ago, a couple of months ago, that the guy from Alaska politically is, you know, give us more environmental relief, or more -- you know, the field's at maximum production now. We're not going to spend extra money, and all that kind of stuff. We can't get any more out of the field now, anyway. So they're going to have 400,000 more barrels a day more.

But anyway, who wanted to get more production out of the field when the prices were at \$6.00 a barrel [below?] the market? The market dropped six dollars.

As a tangent, you know I'm negotiating my final settlement with Exxon.

MR. BLACK: Oh, good.

MR. HAMEL: And they fucked around until about [Thanksgiving?] on the appraisal. All kinds of complicated deals on the appraisal, because ARCO and BP didn't want their information shown to the appraiser, and what not. So [2 words inaudible] negotiation was going on and I didn't care.

They were taking a long time, the market was dropping -- and it dropped six dollars just in the last few months and down since last Thanksgiving, more than that, but anyway what could I do? And I saw in ground \_\_\_\_\_ in place when the market was going down, long term was involved, but the first two years were -- the bulk of it working out \_\_\_\_\_, and that's what saves prices was very important.

But what I was aiming was, by the delay -- of course, once the appraiser got in there, Exxon negotiated not one paper delivery [4 words inaudible] Denver [6 words inaudible] geological [3 words inaudible] going to take three months on the road. So if they had problems in [house?] pumping, then we could negotiate, you know. Knowing those guys, well, we were back like we're in court almost. [inaudible]. Everybody arguing [1 word inaudible] BP and ARCO.

So instead, we had meetings of our appraisers, who -- they picked three, we picked three and out of that we picked two, and then finally we picked two, and they met with Exxon and my guys all the time, to get all this stuff out of the way.

We decided July 1st finally. We finally went in the doorway. [Inaudible] Now, they won't be out until September. [2 words inaudible] 12, 13 dollars a barrel. But my -- talk about my wife getting a new kitchen.

[Laughter] [Inaudible]

MR. BLACK: That's great.

MR. HAMEL: It's the only good thing that's happened in all this time, you know. Sometimes it works out if you're lucky. My whole life is just been lucky. Always. It's the luck I have.

MR. BLACK: Oh.

MR. HAMEL: I was hurting -- I am hurting financially like you wouldn't believe right now. So I had this money coming, so I hadn't done some other things to make some money here and there because I knew it was coming. It's just -- it's Thanksgiving [inaudible]. A few million dollars coming but the few million is not here. If it comes in the doorway -- I'll hear it. [Inaudible] Now it turns out that the few million I saw it coming down a little bit per barrel, and now it's gone the other way.

So anyway, work hard and you get lucky.

MR. BLACK: Yeah.

MR. HAMEL: And the other thing that's happened that you will appreciate is that once the appraisers are finished the negotiating -- because they agreed, they're going to give me a little extra, because they owe damages and penalties, and we are not going to get that per se, but they'll go an extra mile at this point.

They have to get me out. They can't open up -- Point McIntyre [Isle?]. [2 words inaudible] totally out. [3 words inaudible] I want to be right there [10 words inaudible]. [Inaudible sentences] Get [inaudible]. This is BP's, [2 words inaudible] somebody else; [3 words inaudible] somebody else. It would take a genius to figure out, going straight down, who owns what. You have to [3 words inaudible] meeting [5 words inaudible].

Prudhoe Bay here [inaudible]. Prudhoe Bay has been operating for fourteen years, and they didn't have a -- they're still getting back this, that and the other. So anyway, they don't want me around. so I don't have to tell you, the White House has said, "Do everything you can in Alaska overnight."

So they said, Okay. Point McIntyre, which they were going to fuck around with back here. They're going to rush it now, and get it out a lot earlier. Well, they get it out earlier at higher prices, but can't get it out, everything out, unless they get rid of me. And my partners.

I'm 10%, my partners are 90%. But anyway. My partners have no say in this. I make all the decisions. They just -- they're not oil guys. They don't understand what they're doing, and, and -- I make the decisions. When I take up the right number [3 words inaudible] if I'm right or wrong [3 words inaudible]. [Inaudible]. If I have a gut feeling it's good, we all [3 words inaudible]. My partner says if

...

MR. BLACK: Neat.

MR. HAMEL: Anyway, so by September, when we sat down and negotiated, I said another thing. I don't do [3 words inaudible]. My boyfriend, partner, buddy, friend -- a big oil guy with the card -- hit that friend has now become head of Hutcheson in France, big oil company in France.

So I told him about this. I told him, you know, they screwed me around, and I'd like to pay them back with \_\_\_\_\_. He said, [inaudible]. Oh, Chuck. I could take care of that for you. [3 words inaudible]. He's going to take care of that, because he talked to his buddies. He said sure he'd like to have some in-ground oil in

Alaska. He had some already up there.

So he's going to -- [inaudible] but I got a raise [3 words inaudible] talked to Elf Aquitaine, because I really don't like what they got. I want out of Elf Aquitaine to have a shot at buying my partners and me out. [Inaudible]. I tried it.

MR. BLACK: So they all go crazy.

MR. HAMEL: Oh, God. [2 words] two more blocks right here \_\_\_\_\_ adjoining it. It's not for sale.

MR. BLACK: Will he really buy it, or is he --

MR. HAMEL: Yeah. He'd like to buy it. But [inaudible]. By the time it would take him to buy it -- oh, Christ. It would be another eight months or a year.

I'm 60, and I -- my wife has had enough hardships because of my screwing around that I want that kind of money now, and take it easy a little bit, and do things I like to do, which is where you come in the picture, things I like to do, but --

MR. BLACK: Okay.

MR. HAMEL: But --

MR. BLACK: I want to talk to you about that too. I've got, I've got a plan, but we should run over to the office --

MR. HAMEL: Yeah.

MR. BLACK: -- and talk turkey here.

MR. HAMEL: [10 words inaudible].

MR. BLACK: But I would. That's what I want to talk to you about.

I hope we can find it. I get lost a lot, but it should be right there on the --

MR. HAMEL: What's the address?

MR. BLACK: 2341 Jefferson Davis.

MR. HAMEL: Not very hard.

MR. BLACK: It's the Century Building.

MR. HAMEL: The what?

MR. BLACK: The Century Building.

MR. HAMEL: The only time I was over there, is I saw you over there the other day, and you were. -- I saw my cousin over there -- he stayed in the hotel. That's the extent of my Crystal City activities.

MR. BLACK: It's on Jefferson Davis. Can't get lost.

[Pause]

MR. HAMEL: Honey? We're on our way.

MS. HAMEL: Okay.

MR. HAMEL: I'm going to leave the Muffin with you.

MS. HAMEL: All right.

MR. HAMEL: He's not too happy.

MS. HAMEL: [10 words] Dinner?

MR. HAMEL: I beg your pardon? Nope. Nope. Except, be sure to make that call to Roy Dalthfort.

MR. HAMEL: [Inaudible]

MR. HAMEL: [Pause] Muffin, you stay! There's my buddy. [Inaudible].

MR. BLACK: [Inaudible. Static predominates] -- What a nice day, huh? Is that the back of the shopping area? [20 seconds inaudible]

MR. HAMEL: [Inaudible] . . . They mow my lawn all the time. The city manager said there will not be a park. It's industrial. He wanted to put a stone out front. We fought that one -- for tourists, whatnot. Then he wanted to put a beer garden in there, and [inaudible] the only \_\_\_\_\_ park in Northern Virginia.

MR. BLACK: Really?

MR. HAMEL: [7 words inaudible]. Volleyball court in there \_\_\_\_\_. And I said, we're going to have one court volleyball, one -- that's all they're going to order. [Inaudible].

MR. BLACK: \_\_\_\_\_ my office down there [inaudible].

[30 seconds inaudible]

MR. HAMEL: Okay.

[Pause]

MR. HAMEL: In 1985, I filed -- somebody has to get a permit.

MR. BLACK: Right.

MR. HAMEL: And you can't just [2 words] somebody else's permit, you have to get a permit [inaudible].

[Inaudible. Static. Voice breaks up -- 20 seconds]

MR. HAMEL: We've got guys around for that. One was an ex-Justice Department guy.

[Inaudible. Static.]

[Balance of Side 1 of audiotape -- approximately 2200 digits, where 7000 digits is a full side -- is blank.]

---

[Side 2 begins (2:00 meeting in Arlington, Virginia)]

MR. HAMEL: [10 words inaudible] I've got more data, unofficial, and I've got corroboration from someone else of what he's saying is true [2 words] and I can't believe it. Tomorrow . . . You'll love it.

MR. BLACK: Yes?

MR. HAMEL: Yup. Pull right here in the driveway.

[Pause]

MR. LUND?: [Inaudible]

MR. BLACK: [Inaudible remarks] Okay, go ahead. It's about ten till 5:00. We're now at Chuck Hamel's house. We just returned from meeting in the Ecolit office in Crystal City.

[Pause]

[30 seconds inaudible]

MR. HAMEL: Nice car, you like that? Nice car . . . [dog noises] I know, I know I was gone. [Inaudible remarks].

MR. BLACK: Thanks for driving. Listen, is this a bathroom? [10 seconds] I'm in the bathroom at Hamel's residence. Before I start talking to him again, I'm going to change batteries. Give me ones, if you can read me, I'm trying to put it back together now.

[Pause]

[Inaudible]

[Pause]

MR. BLACK: Okay. You got a ah . . . We went to Brook [Ludvig's?]

MR. BLACK: Ah.

MR. HAMEL: [3 words inaudible] so we got -

MR. BLACK: Where was it?

MR. HAMEL: A couple of days ago. [Rick Steiner?] said they were \_\_\_\_\_  
Kathy -- all of us here at Cordova wish you a happy birthday. We'll help you celebrate when you get up here. Rick, David, Riki, Nanny, Claudia.

MR. BLACK: Can I use your phone for a sec?

MR. HAMEL: Absolutely. What do you feel like sipping?

MR. HAMEL: [Inaudible].

MR. BLACK: Whatever you want. Nothing. Actually, I need a Pepsi and a couple of aspirin. I've got - have a headache.

MR. HAMEL: Oh.

MR. BLACK: But what -- number.

MR. HAMEL: [Inaudible]. How about the ice water, it's good for that.

MR. BLACK: What number should I give for an incoming call?

MR. HAMEL: Oh, a, I read that number. 0515 -

MR. BLACK: [Inaudible]. What's the first part?

MR. HAMEL: 549.

MR. BLACK: I got you in my other calendar. 549-0515.

MR. HAMEL: 0515.

MR. BLACK: Is this a new phone, an AT&T phone, huh?

MR. HAMEL: We got all kinds of goodies on that one.

MR. BLACK: Last time I was here you had the brown one.

MR. HAMEL: No, we -

MR. BLACK: It's got intercom, busy [busters?]-

MR. HAMEL: The one upstairs, and we got - the front door's out there. I walk outside with it. And I got all my lines and the portable.

MR. BLACK: Oh, neat.

MR. HAMEL: The [one word inaudible] numbers [2 words inaudible].

[Pause]

MR. BLACK: You know, you're right. You do have to hit the pound sign twice to transmit data.

MR. HAMEL: I had a lot of problems with it until I figured that out.

MR. BLACK: I want to see if I can get a call from that computer guy here, and see what he's doing for tomorrow. Let's see, 549-0515. Rick, call me. Rick, call me. Say you're Vernon [?].

[Phone rings]

MR. HAMEL: How about that. Hello? Just a second, just a moment please.

MR. LUND: Yes. Dr. Jenkins, please.

MR. HAMEL: Just a moment please. Do you want to pick up on that line?

MR. BLACK: Which one?

MR. HAMEL: That one that's right -- the . . .

MR. BLACK: Okay. Hello. No one. Hello. There we go. Hello. Who's this? Oh, how you doing? Good. Good.

Okay. Yeah. I've been getting your pages, but I couldn't get ahold of you, and what I wanted to do is make sure Vern's working tomorrow, because we want to do some input tomorrow.

MR. HAMEL: Tylenol all right?

MR. BLACK: Tylenol's good.

When did he get there?

Yeah. I saw his ride later. But that's not good. I mean, we got to correct that one.

Really? Well, his ride wasn't there.

Yeah. And then he, then he left.

No, I haven't.

Okay.

I hope so. What happened was --

Yeah. But she wouldn't give me the right message. She told me he was back in his hotel. And I was -- I was [torked?]. And then I got -- I got the first set of threes. And I thought, "Oh, God. That was

cool." And then I got the fifteen minutes, this would beep with three, and I thought -- oh, Jesus. I thought it was just -- Thank you, sir.

I know that. We tried to do it. Sherree and I had worked on it - - there.

Uh-huh. I know.

Uh-huh.

Uh-huh.

I understand. What I -- what I'm going to do is, I'm going to try to get abold of Diane to see if she's shopping. And she's -- you know, she's probably going to be -- she's probably -- I've been paging all day, and she's probably not going to call me back, because she's with those, those school friends of hers. But it looks like the three of us are going to go to dinner at a Chart House, which is close to here, and then I'm going to turn in, because we're going to work tomorrow.

I'm just real concerned that he did the right thing with it.

Yeah. I understand.

[Pause]

Yeah. What -- he didn't have to work on -- he didn't have to work on that project in that office. As long as he's working on it. I just want to make sure that he --

Oh, I don't blame him.

Oh, yeah. Oh, yeah. It wasn't 'till the very end, by the way. But I just wanted to make sure that he was able to, to get the data.

All right. All right.

Would you do -- give Sherree a page, and get in contact with her, and -- just to let her know what's going on, and tell her that I just need her and the friend back there later on.

Okay. Just let me know. I -- I --

Okay. I --

Oh, no, no. Yeah. Okay. Well, I just wanted to make sure. I'm waiting to hear from what's-her-name, but I don't think that she's

going to call me back. I'll just have to see her back in the hotel later.

That's it, sir. Thanks for your help.

[Pause]

Yeah. I knew that, because it was -

[Pause]

Yes, I did. Once before and after you. Yeah.

Yeah, that -- that worked good.

Yeah. I'm not -- what I have now is okay, but my thing isn't going to work.

Okay. Bye.

[Pause]

Thanks for the aspirin.

MR. HAMEL: You got it. -- orange twist in the water.

MR. BLACK: Yeah. Great.

MR. HAMEL: [3 words inaudible]. There's a guy at Harvard University -- he's Vic Potter. Harvard and Boston College. He was the guy that -- [snail darter?] -- [inaudible] deal.

MR. BLACK: The what?

MR. HAMEL: [Snail darter?], remember the Tennessee Valley Authority? [2 words inaudible] And he was a little small -- [darter?] [inaudible]. That he was going to be wiped out?

MR. BLACK: Yeah.

MR. HAMEL: [3 words inaudible]. Turns out that he was Vic Potter, professor at the University of Tennessee.

[break in tape]

MR. HAMEL: And he's a lawyer. And he's a professor at the University, too. [3 words inaudible] now he is a biologist in health . . . working on a project. And then he stopped [6 words inaudible].

So, the guy's payment [2 words inaudible] Harvard. And he was brought into the spill, the oil spill, by the state of Alaska. And he -- as a consultant. And he fought for a Commission. He was up there a couple of times, but I had to arrange that.

He calls me and he drives me nuts, because he calls me for appointments. He says, "Okay. Can we talk from -- you know, Monday's busy and whatnot, but I'll be at my office from class, et cetera. I need to talk any time tomorrow between this and this. What's a good time for you?" And I'll say, "All right. 4:30."

The next day, 4:30, he calls me. And he's picking my brain. So I said -- I didn't know what in the heck he wanted it for. So he finally told me the other day -- I saw him [2 words inaudible] -- and he wanted it for -- he's writing a book on environmental law, and the publisher on his back because its going to be [inaudible] it's going to be okay . . . the publisher wants [3 words inaudible].

[Telephone rings]

He's got 1200, and he's got four more chapters.

MR. BLACK: That's probably --

MR. HAMEL: -- four more -- I can't think -- four more chapters. But he's already picking my brains, says I know more than anybody that he's ever met [15 words inaudible]. I don't know why he's picking my brain all the time. So the last couple of phone calls, I finally [2 words inaudible]. Kept telling me that he had [2 words inaudible] who was dealing with the President of BP, the Chair, in London, the Chairman.

MS. HAMEL: Chuck?

MR. HAMEL: Yeah.

MS. HAMEL: It's the young lady on line 1.

MR. HAMEL: Ah. For Wayne?

MS. HAMEL: I think so. [5 words inaudible]

MR. BLACK: Yeah.

MS. HAMEL: Okay.

MR. BLACK: Thank you.

MR. HAMEL: [5 words inaudible].

MR. BLACK: Hello. How are you? Good. You didn't know it was me, huh?

Ah. I'm at Chuck's house. I'm at Chuck's house. I still didn't get the phone situation squared away. I did hear from where Vern was, and we're going to do some work tomorrow. I'm trying to get ahold of -- of Diane. I've also paged her. I've called her friend's house, and they're out shopping. So what I'm probably going to do, since we have reservations at 6:00, is I'm going to run down the street with Chuck and his wife and have a quiet dinner and get some rest tonight. So that's what I'm doing. As far as you're going, you might as well consider tomorrow a day off and those kinds of things. But if you want to give me a buzz, or if you have -- if anything else comes up, I'll be back at the hotel, probably 8:30 tonight.

Thanks.

MR. HAMEL: Okay. [Inaudible]. This person is a little strange. He wanted to tell Robert Horton, the Chairman of BP, of some things that are wrong. BP doesn't [2 words inaudible] recognize that I know whether or not they got to shape up or something. I don't think it makes sense. But anyway, so I [5 words inaudible]. I've seen what they've done before when I point something out that's wrong. They just deny and, you know, cover it up. Some of the people are [3 words], caught for, et cetera.

So he was on me again the other day, and by coincidence, he called me to say [15 words inaudible]. And I drove right by the University on my way out and so I told him -- what is this deal [inaudible], what are you talking about? What is this guy?

Well, it turned out the guy's out of Rutgers. He used to be a law professor in the environmental office. Now he's a full-time consultant, consults with Exxon and a consultant for BP.

MR. BLACK: No!

MR. HAMEL: And -- yeah. So. And what they wanted was, he wanted to show that I had good information, and a [2 words inaudible] doing right

by the environment and by [1 word inaudible]. Now, he had, you know you are getting me for it [inaudible]. I mean, I didn't need those people. They don't do anything to me. So -

MR. BLACK: Wait a minute. He's a consultant to Exxon?

MR. HAMEL: And BP.

MR. BLACK: And BP. And he wants to see your documents?

MR. HAMEL: Well, they wanted me to get some issue that I felt that I was well-documented on, that they're not doing the right thing, and haven't done right, you know. Because they -

MR. BLACK: Who is he?

MR. HAMEL: Well, I don't know who the guy is. He gave me his name. I don't even pay attention. [Inaudible].

MR. BLACK: Yeah.

MR. HAMEL: I will find out, though, at Rutgers University.

But I was in a hurry, and I was coming home from \_\_\_\_\_ that night, so [4 words inaudible] he is in Alaska for a few minutes with [Rick Steiner?]. Rick's trying to think highly of him. But I figure . . . I'll get [10 seconds inaudible].

[Telephone rings]

[Inaudible] and I'd feel a little better. you know. Who are you? What are you? [4 words inaudible].

And he said that, that -

MS. HAMEL: It's for Wayne, line one.

MR. BLACK: Gee, I'm going to have to start paying your phone bill.

MR. HAMEL: I was going to say [6 words inaudible].

[Side 2 of Exhibit 18 continues at page 412020 of original transcript.]

**2533**

**F2R416253**

Exhibit 18: August 18, 1990: Meeting at Hamel's home and elsewhere

Prod. no.: Audio, F2R400338; orig. transcript, F2R412020-040; enhanced audio, F2R416165.

Continued from page F2R412019 of original transcript.

MR. BLACK: Where is it? We ought to use it. Thank you, Kath.

MR. HAMEL: I've got another one right here. [Inaudible].

MR. BLACK: Yes?

MS. HAMEL: [7 words audible]

MR. BLACK: Hi. How are you? -- Good.

MR. HAMEL: We were just on our way up.

MR. BLACK: Okay. -- Yeah, I -- Good.

Yeah. Yeah. What we should do tomorrow -- what time do you want to work tomorrow, Chuck?

MR. HAMEL: Any time. [Inaudible]

MR. BLACK: Is 10:30-11:00 tomorrow all right with you, Chuck? Yeah, 10:30, 11:00 --

MR. HAMEL: Kathy, do you mind if I don't go to church tomorrow?

MR. BLACK: Hold on a second. He's checking.

MS. HAMEL: No.

MR. HAMEL: Thank you, dear.

MR. BLACK: You need to go to church, Chuck.

[Laughter]

Yeah. 10:30, 11:00 would be good.

How did everything go with you today? I forgot --

I'd forgotten, and I was in there -- if you run into Sherree before I do, she'll probably tell you I was saying. Where is that Vern? I couldn't find him. Jesus, he is probably out goofing off. I'd forgotten that you were going to do that other --

Nah. Okay. Well, sounds good. We'll see you in the morning, sir.

All right.

Uh-huh.

Huh.

Bye.

MR. HAMEL: [5 words inaudible] privileged attorney work product on here.

MR. BLACK: That doesn't make any difference. We'll scan it \_\_\_\_\_.

Yeah. Because we won't photo these. We'll -- that OCR stuff, we'll just get the data out.

MR. HAMEL: That part we'll be good at, just wipe it out.

MR. BLACK: Yeah. Yeah. Well, what they do, apparently, is that they circle these phrases, and they go after a phrase, or a way -- or a quote, like Alyeska statutes, and stuff.

Jesus. These are incredible. These came right out of [2 or 3 inaudible words].

MR. HAMEL: [5 inaudible words.]

MR. BLACK: That's great. These people are --

MR. HAMEL: Came out of their law department.

MR. BLACK: Oh, the law department. These people must really be pissed off that they gave you this stuff.

MR. HAMEL: Well --

MR. BLACK: Or I mean, interest in your cause, at least.

MR. HAMEL: No. They weren't interested in my cause. They've got, got their own thing. They hate the company and what the company does. Everybody who works for the company knows that they [inaudible] screw it up.

But that's why I'm telling you I want to start this little group of mine. [Inaudible]. They had nationwide -- they sent this document nationwide saying, our side of the story against Chuck Hamel. They called me to see if it was not true. And I said, I'm saying, you be

the judge."

I'll never - I'll never call them a liar. All I want to do is get out the facts. Their stuff, all their stuff. [3 words inaudible] and say, you be the judge. Right? It's more fun. More [inaudible].

I'll send a copy to [Cherran?] and each of the owners, and I'm hitting him right when every employee is mad at them for the next couple of months with all the crazy things that they're doing and everybody. Everybody knows they're a bunch of liars. The . . . look up there. [inaudible].

Is your lady friend going to make it, or what?

MR. BLACK: I guess not. I checked the hotel -

MR. HAMEL: Okay.

MR. BLACK: - looks like we're on our own tonight.

MR. HAMEL: What are you up to, Kathy?

MS. HAMEL: [1 word inaudible]

MR. HAMEL: We're going to finish our drink upstairs?

MR. BLACK: Yeah. Let me get my drink, before we can finish it upstairs.

MR. HAMEL: Are reservations for six, then?

MS. HAMEL: Yes.

MR. HAMEL: [5 words inaudible]

MS. HAMEL: - ten to 6:00, then we're sure to get a good seat.

MR. HAMEL: What time do they open?

MS. HAMEL: I think they've been open for lunch.

MR. BLACK: Yeah.

MR. HAMEL: Oh, then what we'll do, is I'll change clothes -- we'll finish up upstairs -- change clothes.

MR. BLACK: What are you going to wear?

MS. HAMEL: He's putting on -

MR. HAMEL: Slacks --

MR. BLACK: Don't dress up too much, because I'm -- I look like a bum here.

MR. HAMEL: I'm going to put on slacks and a shirt and --

MR. BLACK: Are you sure I can get in like this?

MR. HAMEL: Yeah. No problem at all.

MS. HAMEL: Okay.

MR. HAMEL: And we'll go over and sit out in the -- it's beautiful outside today -- in their patio area, have a drink and go ahead and eat.

MS. HAMEL: Okay.

MR. HAMEL: And then we can make sure we get the right table by saying, "We'll sit out and have a drink here and you can have the table you want. You can pick the table you want." [2 words inaudible] unhappy. You got to be happy.

MR. BLACK: This winding stairway is unbelievable.

MR. HAMEL: 5 words. I can see by the window wherever we are. Have you been up here?

MR. BLACK: I haven't.

MS. HAMEL: [Inaudible]

MR. BLACK: No, I haven't.

MR. HAMEL: This is my office. I thought you were up here.

MR. BLACK: No. I never have.

MR. HAMEL: [Inaudible] my sons and I. They're \_\_\_\_\_ my uncle he's a fisherman. My son, my little 22-year-old, was running one of the boats. He was skippering one, he was, at his young age. They fired the skipper and prior to becoming -- look at how pretty this is. [Inaudible].

MR. BLACK: Oh, it's unbelievable.

MR. HAMEL: Prior to becoming skipper -- up in the Bering Sea. Prior to becoming skipper, in five weeks, he made \$18,000.00. By the way, how tall are

you?

MR. BLACK: Six foot.

MR. HAMEL: I'm only --

MR. BLACK: That's all right.

MR. HAMEL: [5 words] [Rick Steiner?] can't -- hits him right on the head. [Inaudible]. Let me show you that.

MS. HAMEL: [10 words inaudible]

[Inaudible]

MR. BLACK: Cut my hair.

MR. HAMEL: Cut your hair?

MR. BLACK: Yeah, cut my hair. I need a haircut.

MR. HAMEL: Okay. Look at my pants now. [Inaudible]. This was my document [inaudible]. I can reach, when I may kitchen. My refrigerator.

MR. BLACK: Uh-huh.

MR. BLACK: We have a dishwasher and everything. This is where Kathy and I live and eat, up here. When the kids aren't around. [Inaudible]. Then I've got my beautiful \_\_\_\_\_. [Inaudible]. And I never get my exercise, because my lab has always called and . . . thousand a day.

This is a brand new -- ATT just came out with this [4 words inaudible] filing.

MR. BLACK: And this will work on anybody's phone system? This --

MR. HAMEL: Yes. This is on this system, but look. You never know which buttons are which in this because it's so new.

[Pause]

MR. BLACK: Who's that?

MR. HAMEL: The front door.

MR. BLACK: Oh, you can listen at the front door.

MR. HAMEL: No, I can talk to them. If somebody rings the front door -- this one here. I am outside walking, and I just press this, and I -- and I talk to them.

MR. BLACK: So you can talk to your own front door from the park?

MR. HAMEL: From the back out there.

MR. BLACK: Neat.

MR. HAMEL: But what I really like about it, is I walk anywhere from there to that dock to that building, just in that area. [Inaudible] I'd go off for an hour. Gives me four miles. We used to walk to the airport and back, but I can't.

MR. BLACK: Yeah. Yeah.

MR. HAMEL: And I carry one of those. I do have, you know, and transfer the phone lab, but it's too hard anyway. So we walk at night around here, and when we are ready to come in, we came. It picked up great when we go in circles all the time.

I want to show you my phone. When Kathy is out of town and what not. And a lot of times, I don't go out. Because if somebody's going to call, by the time that Dan Lawn says, "I'll call you in a little while. I need you." An hour later, he finally calls, and I'm sitting around. So I've got all my lines here, including my fax. My fax lights up here. [Inaudible]. So now I'm getting a fax coming in - not that I needed that, but anyway.

But I got all my four lines on here, and my intercom, so that when Kathy wants to go take a walk. And those things -- I don't know how to run it. It takes me years to figure out how to run anything. But it's just a conference thing, and speaker and stuff like everybody else has.

But I also have -- I got to learn how to run it [inaudible] -- a little recording machine was downstairs, which, you want to put these on hold, you know --

MR. BLACK: Uh-huh.

MR. HAMEL: Before I even answer it, I press a button here. When I'm talking to you, and Merrill Lynch is trying to sell me [shock?] stock and I don't

know it's Merrill Lynch - I think it's somebody else -

MR. BLACK: You can put me -

MR. HAMEL: I can put me on hold and then find out it's a waste of time. When I - its going to be my voice, and when it says, "I'm in conference right now. I'll call you later," that means I'm out. Because nobody knows I've gone for the day, or whatever. But you'll know. If I say, "I'm on the phone right now," then you know I'm here. And if you want me bad enough, you hold on, or you leave a message, and I'll call you right back.

So at least I don't keep jumping off like I always do, and

MS. HAMEL: [8 words inaudible]

MR. HAMEL: Yeah?

MS. HAMEL: [Inaudible]

MR. HAMEL: [Inaudible] \_\_\_\_\_ my car.

MR. BLACK: You need me to move my car?

MS. HAMEL: [Inaudible] 3 words.

MR. HAMEL: No, no, my car. I left it in the trunk of the car. No, no. I left it in the back seat of my car.

How did you know?

[Inaudible]

You know he gets pissed - I always forget . . . get something out of the trunk of the car, and [Inaudible] in the back seat.

MR. BLACK: Oh, he's in there now.

MR. HAMEL: Oh, I forgot. I came in without my - my -

MR. BLACK: Oh, boy.

MR. HAMEL: I didn't mean it. I didn't mean it. I know [inaudible].

I didn't mean it. [dog noises] How are you? I'm sorry. I didn't mean it.

[Dog noises] I forgot him at the dock at the boat Club one night.

Came home, 11:30 at night, shut this building up. I went back, and he was still at the dock waiting for me. And I came back and got him, and we -- and he just never moved. . . same thing.

Was he complaining or what?

MS. HAMEL: No. He was out there, waiting.

MR. HAMEL: Well, how did you know that I had forgotten him?

MS. HAMEL: Well, it was very quiet around here. I thought [5 words inaudible].

MR. HAMEL: I didn't mean it, I wasn't thinking and I won't do it again. I'm always forgetting him.

[Laughter]

You're my buddy, yes, sir. Anyway. I have this system working now, I can diverge -- different recording machines for -- if I'm in, or if I'm out, but I won't have to get off the phone, like I always do. All kinds of stuff that I'll never learn how to use, but anyway.

MR. BLACK: So you've got a Samsung. How do you like it?

MR. HAMEL: Oh, God. It's so ancient. I've had it for so many years. But it [2 words inaudible] word processing. I don't do anything. I can't even send things by modem. I just called Rick when he was -- can you imagine. I called [inaudible] out of my system, because I don't know how.

I just caught four guys [peeing in the park? inaudible]. Can you believe that? Feeling better? OK.

MS. HAMEL: Did you call \_\_\_\_\_?

MR. HAMEL: I'll do it by tonight. I'll leave a big note.

MS. HAMEL: All right.

MR. HAMEL: \_\_\_\_\_ sister came in.

MR. BLACK: Uh-huh.

MR. HAMEL: On my trip I have plenty of re-exposure to [H<sub>2</sub>F?] along with another employee. She has a good story to tell. I called, and I got to talk to her about what happened to her. They're firing her, because she is \_\_\_\_\_ the stuff. [Inaudible]. But she was dosed and she --

MR. BLACK: Who's firing her?

MR. HAMEL: Alyeska. Because she was dosed in H<sub>2</sub>F.

MR. HAMEL: [Inaudible] but it's the best I can provide. They want the names of every employee of Alyeska.

MR. BLACK: Oh, neat.

MR. HAMEL: They called me the other day. Where in the hell is it? Who's who? Who's the supervisors? The problem is, he has their phone numbers, but he doesn't have their addresses. So I called another guy, and I said, "I want the home address." It's at the pump station. And, ah, here's some of it. Here's a post office box, okay.

MR. BLACK: Oh, neat. So another guy is sending me an up-to-date home address for my little project of [inaudible].

[MR. HAMEL?]: This girl really got screwed. But that's another thing. I'm going to help her - the system is accruing 90-day disability, because she can't stop it. [6 words inaudible]. They wouldn't know where to put her [3 words inaudible]. So you've got 90 days to get well. She's lost her sense of smell. She's got - the guy she was with was hospitalized when she was dosed with H<sub>2</sub>F. So - so they give her 90 days to get well. If she doesn't get well, they've got to let her go. So she's home on leave. She can't get well. She's lost her system. So she's got fourteen years and two months of nothing. Fifteen years here. She's got ten years, but fifteen years to get full retirement, whatnot. They clean house like this all the time.

And you know in this, they've got little beepers, little gadgets. You can hook it onto you. And you can hear, you know, a little alarm system [inaudible].

MR. BLACK: In here, then you put your hand there.

MR. HAMEL?: But they say well that's not investigate. . . . They investigated that, and that's not what's good for her. They were worried about her health off and gone she could die somewhere. [Inaudible]. Florida Keys. [Inaudible], but that is going to be -

MR. BLACK: Okay. Yeah. I won't let you forget that one. I'm interested.

MR. HAMEL: [ 8 words inaudible]. That's when the guy was -- first when he was - - you can't get caught at it. Doesn't know how wrong what they've done, and you know they'll be interested in that, and in exchange, what I guess what he's looking for is I can help him on the crewing problems [5 words inaudible].

I had no -- I had a little tanker called the *James Hamel* back when.

MR. BLACK: You told me about that.

MR. HAMEL: 13,000 men over there.

[Laughter]

MR. HAMEL: [5 words inaudible]

MR. BLACK: Yeah. . . . needs it, do you keep a phone log?

MR. HAMEL: I keep them all. This is one. I got one downstairs. I couldn't survive without it. [Inaudible].

MR. BLACK: That's neat.

MR. HAMEL: That's the way to do it.

MR. BLACK: We can just walk on down here whenever you're ready. It's such a beautiful --

MR. HAMEL: Can I change pants?

MR. BLACK: Take your time. I'll just hang here, whatever you're going to do.

MR. HAMEL: [Inaudible]

MR. BLACK: That's all right. I just --

MR. HAMEL: [Inaudible 5 words.]

MR. BLACK: I'll just sit here and stare out the window.

MR. HAMEL: I've got nice -- all kinds of little boats. We've got oceangoing tanker, oceangoing boats. And they come in, and they dock right here. [7 words inaudible]. . . . that way.

Then we get all those fancy yachts. The Trump yacht was here.

MR. BLACK: Yeah?

MR. HAMEL: Yeah. Forbes, with his helicopter, you know. [3 words inaudible] words when you get all that on, and [inaudible] watch the world go by. That white one across the way, over on the left, is the *Williamsburg*. The Presidential yacht of ancient history.

MR. BLACK: Yeah.

MR. HAMEL: A bunch of guys bought it and went up to Georgetown with it. And they're going to cut off the stack, and I don't know what else to get it under the bridge [inaudible]. And they haven't got permission from the city, but its been sitting there for eleven years now, and still \_\_\_\_\_ could \_\_\_\_\_ our view forever.

MR. BLACK: What a beautiful place. Just yell when you're ready, Chuck.

MR. HAMEL: Okay.

You getting ready, honey?

MS. HAMEL: [Inaudible remarks]

MR. BLACK: [to Rick Lund] Let me give you a fax list. Patti Epler, Dan Lawn, Doug Baily, CDFU, Riki Ott at the Co-op, Rick Steiner, Frank DeLong, MITI, Charles McCoy, Julian Mason. U-I-H-O-R, it looks like O-Y.

MR. HAMEL: [12 words inaudible].

MR. BLACK: Yes, I did. Sure did. I'm just here talking to myself. Sure did. I'm just sitting here talking to myself.

MR. HAMEL: [Inaudible].

MR. BLACK: Yeah, yeah. I sure did. I'll give it to her at dinner.

MR. HAMEL: Do you want to use the phone?

MR. BLACK: Okay. I was just thinking about it, but -

MR. HAMEL: [5 words inaudible]

MR. BLACK: No, I don't need to. I'm just - I'm going to -- she's going to page me if she gets back.

MR. HAMEL: Use the portable?

MR. BLACK: Yeah. She's going to page me if she gets back. Thanks.

MR. HAMEL: [Inaudible]. The girls in the park, there aren't any. Usually there are some girls.

MR. BLACK: I'm looking at the boats. I'm looking at the boats.

MR. HAMEL: [Inaudible] sit and look at it with my binoculars. [Inaudible]

MR. BLACK: That's what you really do up here.

MR. HAMEL: Yeah.

[Pause]

MR. BLACK: [Back to the fax list] Chuck Panthion, [Sandy Cond?], Dickstein Shapiro, Tesoro (T-E-S-O-R-O), John Lewis, Joe Lebeau (L-E-B-E-A-U), Frank DeLong, Bob Keefe, K-E-V[?], . . . Stan Stevens, Lisa with Simon and Schuster, [inaudible] Barbara Rosewicz (R-O-S-E-W-I-C-Z), [inaudible], Emily Heiner (P-A-S-Z-T-O-R), Pam Abramson with *Newsweek*, Bob Price, Jay Matthews, [inaudible] C-E-S-S-A-R-N-I, 907-835-4292.

The input came from William E-S-P-E[?], Junior. That means William T. junior. That's an employee.

He's going to the phone log in the morning at 11:40. A guy named Roy Dalberg, D-a-l-t-b-e-r-g, called from 344-6282 regarding trouble with his attorney.

The time is 5:32.

[Pause]

William D-c-f-e-e Junior, P.O. Box 7076, [Nasheka?] Alaska, 99635. I can't read the meter number.

Dan Lawn called this morning at 11:55. Apparently, they talked from 11:55 until 1:30. No, I take that back. That was on Friday, the 17th.

And it shows my call at 6:30 p.m. on Friday.

Frank DeLong called from New York on Friday and -- it doesn't say what time, but it was before 11:00 in the morning, according to the log. 212-947-0724.

[Pause]

There are . . . thirteen or fourteen boxes that we saw before.

MR. HAMEL: Ready to go?

MR. BLACK: Right. Ready when you are.

MR. HAMEL: . . . right now, outside? [1 word inaudible].

MR. BLACK: Ready.

MR. HAMEL: -- back in the house.

MR. BLACK: This is -- this is mesmerizing. This view you have here.

MR. HAMEL: When I get my settlement, we're getting one of those. About that size.

MR. BLACK: Which, the motor, or the sailboat --

MR. HAMEL: We used to have sails. We used to have a 22 [foot?] ketch in Annapolis. I don't have time any more for sailing [inaudible 5 words], I don't have time for that. And it won't be here [inaudible].

MR. BLACK: Yeah.

MR. HAMEL: You go up and down that area.

MR. BLACK: Did you ever run a trawler --

MR. HAMEL: Well --

MR. BLACK: Like a Grand Banks, or anything.

MR. HAMEL: Yeah, I like that, but ah . . . over here, but Kathy doesn't like the trawler because she gets sick with it and can't handle it.

MR. BLACK: Grand Banks --

MR. HAMEL: Can't handle the weather. Grand Banks can't handle the weather.

MR. BLACK: Yeah. Well, Grand Banks is pretty decent.

MR. HAMEL: Yeah. All, all party boat, and --

MR. BLACK: You got those party boats, you get a two-foot draft, two-and-a-half foot draft --

MR. HAMEL: You mean --

MR. BLACK: You get any kind of waves, you --

MR. HAMEL: What we'll be doing with it is only the summer anyway --

MR. BLACK: Yeah.

MR. HAMEL: -- and we'll be at anchor every time the weather is questionable. It's not like a trawler.

MR. BLACK: Better be tied to the dock.

[Laughter]

MR. HAMEL: We'll be outside with the Muffin, Kathy.

MS. HAMEL: Right.

MR. HAMEL: [inaudible]. Would you ah . . . put the phone in answering service?

[Pause]

And I will leave a big note for [Rog?] Daltberg. Note to call [Rog?].  
[inaudible remarks]

MR. HAMEL: They get in, we don't get to go.

MR. BLACK: Okay.

[Inaudible remarks about dog and dog noises, etc.].

MR. BLACK: [Inaudible] walking over to dinner. Hamel's going to be following me, or he's walking with me over to the Chart House. I hope you can pick this up.

[Pause]

[Inaudible remarks]

MR. HAMEL: When he runs around, that makes him do a doodie, he's a well trained dog.

MR. BLACK: Humh.

MR. HAMEL: That's a boy.

[Pause]

MR. BLACK: About fifteen minutes ago, Hamel gave me some legal documents inside. He said I could just take them. The words "attorney-client privilege" were still on them. Earlier, he said he was going to cut those off, but he hasn't -- he hasn't yet, and I'm hoping he'll allow me to take them with me to scan them in.

MR. HAMEL: [Inaudible]. Go, go, go.

MS. HAMEL: [Inaudible]

MR. HAMEL: [Inaudible]

MR. BLACK: [Inaudible]

MR. HAMEL: Come on. Come on.

MR. BLACK: He's not here. He [Inaudible].

MR. HAMEL: Come on. Come on. [Sounds].

Now, now, now, now \_\_\_\_\_.

[Recording ends]

**2549**

**F2R416269**

**Exhibit 19**

Prod. no.: Audio, F2R400339; orig. transcript, F2R412042-075; enhanced audio, F2R416166.

**NOTE:** Tape 19 includes part of the August 18, 1990 meeting of Black and Hamel, continued from Exhibit 18. However, all of this material is also included in the recordings in Exhibits 49 and 20 (original audiotape production numbers 411217 and 400340). This recording is thus duplicative and is not transcribed here.

**2551**

**F2R416271**

Exhibit 49. August 18, 1990: Meeting at Hamel's home and elsewhere

Prod. no.: Audio, F2R41217; orig. transcript, F2R412046-075; enhanced audio, F2R416181.

Continued from Exhibit 18. Sides 1-2, ca. 1.5 hours

[Black and the Hamels appear to leave Hamel's home, walk to restaurant, and order a meal.]

[Side 3 begins]

MR. BLACK: . . . would you like a red, burgundy wine, a little soda, red wine, Chardonnay or something. Filet and a \_\_\_\_\_ [inaudible] - - - and she had a couple of glasses, I had 3, she had 2. The next day I was as sick as a dog, and I haven't been sick from alcohol, just lean over and . . . I was sick all day yesterday, there's something wrong with that wine. She said I think it was that wine, I don't know what else. I said, wait a minute. The only thing we had in common was that wine. But for a good brand or something but, oh, I never, I drink wine every day. That's my little - the only thing that breaks my diet is my glass of wine. . . . Look what they did here. When you've got a background like mine, some guy in the restaurant. They dug it out, and put in a wine cellar, in the back yard, of course. Ah, problem was, that the patio back in the cellar \_\_\_\_\_ [inaudible] flagstone filled up the wine cellar. The bricked it all up again and fills it with styrofoam, I don't know, what else, but then, still not worth \_\_\_\_\_ [inaudible] - - - They wrecked it and \_\_\_\_\_ [inaudible] - - - he'd go with ya. Ah, see, he won't go with ya.

MR. HAMEL: Where have you been this week?

MR. BLACK: Just all over. I was up here earlier in the week and was in Miami and we were in Tampa, just, you know, putting out fires.

MR. HAMEL: How many are you in the Miami office?

MR. BLACK: In Miami, we have total amount of people down there is about nine.

MR. HAMEL: Wow.

MR. BLACK: Nine or ten, with Sherree, John, Vern, nine, ten, eleven, we have thirteen or fourteen totally.

MR. HAMEL: Do you think you'll get a good place for an office up here?

MR. BLACK: This place is perfect.

MR. HAMEL: So much you need out of town here, that, uh, that I am pretty good at, things kinda like what you're looking for.

MR. BLACK: OK.

MR. HAMEL: I know how to help people, and I know how to get things out the Hill and out of these agencies.

MR. BLACK: Yeah, you gotta be pushy, because know what the problem with the agencies is you can't get in, uh, because there's only one entrance in the building. You gotta sign in, somebody has to come and get you, all this crap. \_\_\_\_\_ [inaudible] you want something, you con them out of it, you just tell them you're the messenger service. They'll finally \_\_\_\_\_ [inaudible] - - - messenger get it ten times faster than you can go get it yourself. That's why I can never give up my place here. If you're out of town, or you're out of town, you know they're watching - - - you're watching - - - everyone knows to find me here. [inaudible] I'll always maintain this as an office no matter where we live. My office used to be the third house up, but . . . garage . . . [inaudible] - - - German lady was there, owned it, she owned it in case of emergency in Germany, war or something, she could rush back here. She had the property here, she was a corporation name.

MR. HAMEL: [to someone else] We'll bring Muffin to you.

MR. BLACK: She decided to sell, in fact I had to move out in about three days, so all my papers and documents, everything I stored in boxes, and I've never gotten them all out. I mean is this, where would I put. And I've been in a quagmire for \_\_\_\_\_ [inaudible] prior to that it was pretty well organized, but . . . my secretary [inaudible]. These flowers look lovely, \_\_\_\_\_ [inaudible]

MR. BLACK [appears to be speaking to his colleague out of the Hamels' hearing]: For your information \_\_\_\_\_ . . . my wire, I have another battery in my pocket which is about half life, I don't know if you will be able to receive me from over there on the other side of all that brick and metal, but we'll give it a try. Give me some ones if you still got me. [Noise.] Thank you. \_\_\_\_\_ [inaudible] I'm sorry but I didn't do it.

\_\_\_\_\_ : Every time he comes down the stairs he takes a dive on all.

MS. HAMEL: The carpets go everywhere.

MR. BLACK: I understand you had a birthday.

MS. HAMEL: \_\_\_\_\_ [inaudible]

MR. BLACK: I want to give you this, it's not a birthday present but, this is, ah, a little thing we have, that we're giving to people.

MS. HAMEL: Oh.

MR. BLACK: Yeah. It's kind of a neat little pin.

MS. HAMEL: Thank you.

MR. BLACK: This is gonna be our motto or our logo if we, I guess, if we have one.

MR. HAMEL: Well Kathy, they're a lot newer than I thought they were, they've just started. Is Ricki still with it, what's her name, Ricki --

MR. BLACK: No. Ricki. No, she's not. She, ah, decided she wanted take the summer off and spend some time with her kids, and then probably move, ah, back up North with her family in the fall, so she's basically --

MR. HAMEL: She was looking to go to Pennsylvania.

MR. BLACK: She's from Pennsylvania.

MR. HAMEL: This brings me back to her area anyway.

MR. BLACK: No, she was doing some work for us, and she was real --

MR. HAMEL: Here, we'll put you in the middle, Kathy.

MR. BLACK: -- she was real good at it, uh,

[inaudible]

MR. HAMEL: \_\_\_\_\_ [inaudible] When I met her up in Memphis and set up \_\_\_\_\_ [inaudible]

MR. BLACK: Point was, we didn't train her.

MR. HAMEL: Lucky for me, my point of view --

MR. BLACK: Oh, sure --

MR. HAMEL: I'm on the airplane with her, and I saw her up there, and she was, uh,

\_\_\_\_\_ : Get back here, Kathleen.  
**BEGGAR:** Can I get a dollar? Quarter?  
\_\_\_\_\_ : Sorry, I don't.  
**BEGGAR:** Thank you very much.  
**MR. HAMEL:** How come you got the money?  
**MS. HAMEL:** I have your wallet.  
**MR. HAMEL:** OK. That's better.

[inaudible]

**MR. BLACK:** We didn't prep her enough.  
**MR. HAMEL:** Well, it's just this, you just got hired and sent up there but she didn't know enough about \_\_\_\_\_ it was to make any \_\_\_\_\_, right?  
**MR. BLACK:** Yeah.  
**MS. HAMEL:** Oh, you know what it is \_\_\_\_\_ [inaudible].

[inaudible]

**MR. HAMEL:** And of course, it's funny because, uh, everything she wanted to know, there was Rick Steiner, there was Rick Steiner, she kept saying Rick Steiner, she saw Rick and I together at the bar, and, ah, started to walk up to us, and that's when \_\_\_\_\_

[Inaudible (Mr. and Ms. Hamel argue about walking together)]

**MR. HAMEL:** Walk three feet behind me but not in front of me. [inaudible]

[Laughter]

**MR. HAMEL:** Anyway, she wanted to know, if Rick and Ricki, Oh could get to go \_\_\_\_\_ [inaudible] So we had a [inaudible] down; it gets kind of [inaudible].

[inaudible]

MR. BLACK: I'm not sure she knew. No,

MR. BLACK: She was frustrated. Just got hired. And ah, well, she was in this environmental advice group, that's all. [inaudible] What the help. Who is this? Who is this? It's a plant.

MR. BLACK: It's really funny, remember the way you and I met? You returned one of her phone calls or something and I just happened to pick up the phone.

[Period of skipping tape]

MR. HAMEL: I didn't realize that. I thought when you called me --

MR. BLACK: No, I [inaudible] you, she [inaudible]. And then you said. [Skipping tape]. And that's how you and I first talked. [Skipping tape].

MR. BLACK: And then you said --

[Inaudible; skipping tape. Music in background.]

\_\_\_\_\_ : What led you to Miami from the Midwest?

\_\_\_\_\_ : The weather.

\_\_\_\_\_ : Sailing.

\_\_\_\_\_ : The weather.

\_\_\_\_\_ : Do you dive?

[inaudible]

MR. BLACK: I've never been good at diving. The more I dived, the more I realized that snorkeling is fun, because you don't have all that garbage on your back. You don't have to worry about accidents or things. I've been diving since probably, sixty-nine, seventy.

MR. HAMEL: \_\_\_\_\_ [inaudible] equipment? [inaudible]

MR. BLACK: \_\_\_\_\_ [inaudible] -- Most dangerous thing in the water is us, as you know.

MR. HAMEL: Yes, but I just, ah, follow some boat, come up \_\_\_\_\_.

MR. BLACK: We have a \_\_\_\_\_ [inaudible]. If you want to go back to Florida, places that \_\_\_\_\_ [inaudible] If you like peace and quiet, \_\_\_\_\_ [inaudible] But anyway, we just have our own life and \_\_\_\_\_ real estate agent \_\_\_\_\_

[Ca. one minute inaudible]

MR. HAMEL: I like to be by myself.

MR. BLACK: You'd like to walk the beach. The problem now is [inaudible] It's at the point that \_\_\_\_\_ island [inaudible]

MR. HAMEL: Density problems.

MR. BLACK: When we first \_\_\_\_\_ that the glass, all-glass structure is the only one \_\_\_\_\_ I like the most. All I do is see the glass. Those were the only big buildings around. Now, the buildings are -

MR. HAMEL: It's unbelievable now. The density.

MR. BLACK: We don't want that. [talking about some buildings]

\_\_\_\_\_ : We used to go up to Palm Beach Airport . . . forty minutes . . . and now they tell me . . . It's kind of weird . . . Key Largo . . . start looking around again. We don't know where. Miami is . . .

MR. BLACK: 80 percent of the population of Miami is Hispanic. In the city 80 percent.

MR. BLACK: That's good, though.

MR. HAMEL: You know you have people who say, oh, you have problems with Cubans or whoever it is you have. But the Cuban group is the group that made Miami. Without the Cuban emigres from, you know, during the Bay of Pigs, there wouldn't be a Miami the way it is now. I mean, they've made it exciting, business [?] people. This is not to be confused with the Mariel refugees that Jimmy Carter \_\_\_\_\_, as long as they have jumped out. \_\_\_\_\_ But the typical Cuban community of Miami is business people, nice people, squared-away people. People who don't speak Spanish, object to three or four restaurants Miami that use the menus may not be in English, you know. But the South Americans in Florida, the Cuban influence on Miami has been great, banking, tourism, trade, it's been good.

The crime rate in Miami is fairly intense [?]. You wouldn't, I don't know if you would want to live in Miami. I live out on Key Biscayne which is out where Tricky Dick Nixon used to live. . . . the Sonesta. It's gotta be the \_\_\_\_ or the Sheraton. There's only two. I live a half a mile from the Sheraton on the beach.

[Ca. one minute inaudible]

**MR. BLACK:** Happy belated birthday. [inaudible] If you want to be on the beach, you won't find that kind of a beach unless you go to Key Biscayne and you're ready to pay between \$200 and \$600 for a two bedroom.

**MR. HAMEL:** [discusses collapse of real estate market; inaudible]

**MR. BLACK:** They predict that within a couple of years, with the market down. . .

[A couple of minutes of inaudible discussion of rental apartments]

**MR. BLACK:** You can rent a big 2-2, on the beach, for about \$1500.

[Inaudible]

**MR. BLACK:** I think we're ready now.

**MR. HAMEL:** Yep.

**Waitress:** Would you like anything on the side of that, broccoli or rice \_\_\_\_  
[ordering food]

**MR. BLACK:** I'll have the filet, medium, filet mignon . . . medium well done. And I'll do the salad bar also.

**MR. HAMEL:** I'll have the crab cakes [?] and the salad bar.

**Waitress:** Baked potato or anything like that?

**P:** Baked potato would be fine with sour cream and butter.

**?:** Want to do the salad bar?

**MR. BLACK:** She'd fit right in in Miami . . . salad bar.

MR. BLACK: The time is 6:15. We're trying to get our dinners here.

\_\_\_\_\_ : Here we go. Here we go. Excuse me.

\_\_\_\_\_ : Want to do this Kathy? Can we get Kathy over here?

MR. BLACK: Yeah, I got the kind with the blue \_\_\_\_\_. Special order kind.

[Long period of background noise].

MR. BLACK [appears to be speaking to his colleague out of the Hamels' hearing]:

I know there's a lot of noise in here. I hope they can hear me. I think that in general, the conversation is going to be with regard to generic things. He promised her he would not talk business. If you're reading this, give me a 5, 1-5 please. I wonder what you guys are eating at the surveillance van. I've ordered a filet mignon. It's rather chilly in here. I know that you're probably \_\_\_\_\_ [inaudible]. The salad is great.

[ca. one minute inaudible]

MR. BLACK: He's on the way back. A young girl actually that I have here working looking for a place to stay, near Crystal City. Do you have any ideas?

MR. HAMEL: Looking for a rental?

MR. BLACK: Short-term rental.

MR. HAMEL: One bedroom?

[ca. six minutes inaudible]

\_\_\_\_\_ : . . . I told her that . . . when these people are in town . . . you tell her that . . . One of my friends moved on to Philadelphia . . . place that she liked very much . . . all right for you and I, but for a [blond?] girl . . . It's a one-way trip . . . [long period inaudible] Every one of these is a different product . . . Lauderdale, or Port everglades, or Miami . . .

MR. BLACK: Have you ever heard the name Yevgeny Yevchenko?

MR. HAMEL: [inaudible] When I was in Florida, a year ago, I was in Moscow [inaudible - something about caviar, restaurant and a chef]. He said, what do you want? Let me go look. We don't have \_\_\_\_\_? What do you have? I don't know. What do you want? I don't [inaudible]. That's the way these restaurants run in Moscow. You'd have to come back \_\_\_\_\_. He and I were just having great time with wine and caviar. [inaudible]. I got my guide out there, waiting outside in the lobby. Tell you what, tell him you're going to the Post Office. Part of the hotel \_\_\_\_\_ through the doorway. If you want to practice your Russian, do what I do. Go out the other door of the hotel. Run down in the subway station, run up the other side and I'll be waiting in my car with a [inaudible]. After that we had a bad, I had a [inaudible].

[ca. one minute inaudible]

\_\_\_\_\_ : This is good, this great . . . salad . . . breakfast, lunch, and I have a field day at dinner . . . What happened is, Exxon[?] was . . . We finally got the problem . . . water in the . . . you have to drain it out first . . . was having real water problems - has been for years . . . I can tell how to get here . . . [music.]

MR. HAMEL: What time is he coming out?

MR. BLACK: He's at lunch.

[ca. one minute inaudible]

MR. BLACK: How far away?

MR. HAMEL: I guess I know how to get there.

[A couple of minutes inaudible, then recording stops, with about seven minutes left on tape. Side 1 ends]

---

[Side 2 begins]

MR. BLACK [appears to be speaking to his colleague out of the Hamels' hearing]: 5198690, 5198690, thanks \_\_\_\_\_ [inaudible], 5198690. Try 5198690, let me just chat with you anyway. The time is twenty until

seven, we just had a quick phone conversation, our \_\_\_\_\_ [inaudible] is on the air now, it is twenty until seven, and I'm walking back to... I'm walking back to the table, and everybody wonders why I'm talking to myself -

MR. BLACK [appears to be speaking to the Hamels]:

Well, she, the good news and the bad news is this, the good news is that I got a hold of her, or she got a hold of me, finally, and I am gonna see her later on tonight; the bad news is she's gallivanting around with her friends. I know I am dragging, so she'll have a good time and we'll see her tomorrow.

MR. HAMEL: We'll see you tomorrow, good enough.

MR. BLACK: Diane?

\_\_\_\_\_ : Right.

MR. HAMEL: \_\_\_\_\_ [inaudible], of this country or what?

MR. BLACK: Yeah, some friend she went to nursing school with.

MR. HAMEL: Where's she from?

MR. BLACK: She is originally from Florida. She's a native. Went to school in Georgia. Her friend just went different ways.

MR. HAMEL: So, you guys are someday going \_\_\_\_\_ [inaudible] or whatever?

MR. BLACK: That someday is September 8.

MR. HAMEL: \_\_\_\_\_ [inaudible], oh, really.

MR. BLACK: Four weeks away.

MR. HAMEL: This, September 8?

MR. BLACK: This September 8, on a boat...

MR. HAMEL: Oh...

MR. BLACK: Under sail on Biscayne Bay, just us and two or three people from her family. On a seventy foot ketch, excuse me, on a seventy foot ketch in Biscayne Bay.

MR. HAMEL: Oh, \_\_\_\_\_ [inaudible].

MR. BLACK: No, I wish.

MR. HAMEL: Where are you going off to?

MR. BLACK: We [don't?] take a week off after that, go to the Virgin Islands, the British Virgins.

MR. HAMEL: This weather we got is terrible.

\_\_\_\_\_ : From the best \_\_\_\_\_ [inaudible] of my life.

MR. BLACK: Can I have another one of these?

[ca. one minute inaudible. Food is delivered; talk of size of potatoes: "Like a football . . . That's a Texas potato . . . I got a filet mignon . . ."]

MR. BLACK: So, where have you been in the Virgin Islands?

MR. HAMEL: For the first time, we went to, uhh, part of our problem is that the staff was mad because we went fishing, uhh, then we went to, uhh, Tortuga, \_\_\_\_\_ Island, Virgin Gorda and the \_\_\_\_\_ [inaudible] Islands.

[Period of time inaudible]

MR. HAMEL: The Virgin Gorda, \_\_\_\_\_ [inaudible], a little hideaway.

MR. BLACK: Where did you go in the Virgin Gorda?

MR. HAMEL: Little Dix Bay, I bet.

MR. BLACK: You know, that was that commercial \_\_\_\_\_ [inaudible], \_\_\_\_\_ [inaudible], when we left, we flew out of there.

MR. BLACK: Yep, beautiful snorkeling.

MR. HAMEL: Oh, left and right.

MR. BLACK: Doggone it, what do you think of that wind there? Have you done any sailing - sailing there?

MR. HAMEL: Well, that's how we're getting home. I said I wanted to sail. We were going powerboating all the time. And I had never sailed in my life. But I figured -- [inaudible]. Everywhere we went, they always

knew of something later in the day, on their sailboats, we'd be at anchor [inaudible] some nights in a cove, and there they were.

MR. HAMEL: One day, Kathy and I are snorkeling, we'd never snorkeled before, and snorkeling away, and all of a sudden, she points over there for me to look, and I did look, and a girl had jumped off the boat, \_\_\_\_\_ [inaudible], wasn't wearing nothing.

MS. HAMEL: Her contacts were out, I guess.

MR. BLACK: Yeah.

MR. HAMEL: I could see her,

MS. HAMEL: Sailboat coming toward her.

MR. HAMEL: Right. Anyway, this gal had a nice set of boobs just hanging down in the water when she turned toward me. I told her that's what I want coming off that other boat. When she realized what it was \_\_\_\_\_ [inaudible] went too far without the \_\_\_\_\_ [inaudible]. She said get out the water.

[Short period totally inaudible]

MR. HAMEL: That's how I decided I wanted to do some sailing.

MR. BLACK: Good thing Mom and Dad have a sailboat which is just around the corner here. I live with my parents. To make it even better, if I lived alone, I just didn't want to be with this powerboat, \_\_\_\_\_ [inaudible] Dad was the powerboat guy from Seattle.

[Short period of inaudible]

MR. BLACK: My partner has, a newspaper, he owns a newspaper out there called El Ninja. What it is, is a blank checkbook.

MR. HAMEL: That would be a very good friend.

MR. BLACK: Ah, his background was instrumental in his owning \_\_\_\_\_ [inaudible], and that would be indicative of a \_\_\_\_\_ [inaudible] at the bank.

[inaudible; TV mentioned]

MR. BLACK: \_\_\_\_\_ [inaudible] election night. All the crowd was yelling at \_\_\_\_\_ [inaudible].

MS. HAMEL: He wanted the spots.

MR. BLACK: He wanted all the spots. Money, he said, was planted.

MR. HAMEL: Wait a minute \_\_\_\_\_ [inaudible]

MR. BLACK: All you got to do is stay alive. [inaudible]. But if you do stay alive, you could go for \_\_\_\_\_ [rest of sentence inaudible]

MR. HAMEL: Not Maurice, no.

MR. BLACK: No, his father. If you can stay alive, you'll look good when you have to go around on the other side.

MR. HAMEL: Is this Maurice's \_\_\_\_\_ [inaudible] father?

MR. BLACK: You see them [inaudible].

[Period of inaudible]

MR. HAMEL: You guys gonna sail down there or what?

MR. BLACK: We're gonna fly down and sail while we're down there a little bit.

MR. HAMEL: Where're you gonna stay?

MR. BLACK: At the Bitter End.

MR. HAMEL: The Bitter End, \_\_\_\_\_ [inaudible]

MR. HAMEL: Remember, you had more problems there with the mosquitoes.

MS. HAMEL: Oh, yeah.

[Laughter]

MR. BLACK: Each place at the Bitter End has its own front and rear entrance.

MR. HAMEL: Oh, really.

MR. BLACK: \_\_\_\_\_ [inaudible] yes.

[Period of inaudible; Ms. Hamel talks a lot]

MR. HAMEL: You going to the Virgin Islands all the time for snorkeling \_\_\_\_\_ [inaudible].

MR. BLACK: I used to sail down there.

MR. HAMEL: Where?

MR. BLACK: Antigua, that area.

MS. HAMEL: [inaudible] That's when he got his eyes full. \_\_\_\_\_ [inaudible] it will be the last time [something sung].

MR. BLACK: She \_\_\_\_\_ [inaudible] pretty bad.

MS. HAMEL: [inaudible]

MR. BLACK: She bought all the food at the bad place, where they took that \_\_\_\_\_ [inaudible] caviar. \_\_\_\_\_ [inaudible] She didn't want to get her hair wet. She didn't want to get her hair wet. Her dad had a \_\_\_\_\_ [inaudible] boat and so close to shore they would have to, ah, go a little ways to get it in, to get the pick of security there. They have to put the cables -

MR. HAMEL: \_\_\_\_\_ [inaudible] she didn't want to get her hair wet?

MS. HAMEL: [inaudible]

[ca. 45 seconds inaudible]

Waitress: Your filet, sir?

MR. BLACK: Great, thank you.

MS. HAMEL: [inaudible]

MR. BLACK: No, it's perfect. This is perfect. Great filet, thank you.

[Five exchanges inaudible]

MR. HAMEL: That's why we got the sailboat.

MR. BLACK: You got the sailboat. Where're you sailing?

MR. HAMEL: \_\_\_\_\_ [inaudible]. Ah, you know Diane. The one you got the hots for over there.

MR. BLACK: She works there at Jackson Hospital. Which is the big one.

MR. HAMEL: How far away from \_\_\_\_\_ [inaudible]

MR. BLACK: Probably, half an hour.

MR. HAMEL: Your important relaxation is sailing, or diving? Swimming?

MR. BLACK: Lately, it's been nothing but work.

MR. HAMEL: You could get her a little jacked up.

MR. BLACK: I think you can understand that.

[inaudible]

MS. HAMEL: Well, at least you have other \_\_\_\_\_ [inaudible] to talk about.

MR. BLACK: Well, you see, that's very close, I don't have the protracted period of time that Chuck has -- I don't have that, and I don't have that same preoccupation with it right now.

MR. BLACK: But, we're serious about doing this and I am going to make it work. I've just been trying to set up the little offices around and this is one of them, so, \_\_\_\_\_ [inaudible]

[Period of inaudible]

MR. HAMEL: - - - Little babies going out, such a beautiful \_\_\_\_\_ [inaudible] going out there - - - be destroyed by too many people.

MR. BLACK: [inaudible]

[inaudible]

MR. HAMEL: Finally, the people who are receiving it, can't live with the water, so they have to be stuck with it, the \_\_\_\_\_ [inaudible] shows up bad, on their, uh, everybody has their own \_\_\_\_\_ [inaudible] - fifty thousand gallons of water, [inaudible], the refinery says it's not happening. It was just the same situation that I was always in [inaudible]. They just didn't want to have it they had no way of, cost too much, simply the problem of the refinery to separate it. The crude is pretty much [inaudible] - the window. [inaudible] The way to get rid of it is to bleed the \_\_\_\_\_ [inaudible] off the Florida coast. When I thought of it, -

[inaudible]

MR. HAMEL: Well, they could say dilute it. Forget the law. [inaudible] Anyway, five hundred miles offshore.

MR. BLACK: Well, what can I expect?

MS. HAMEL: [inaudible]

MR. BLACK: Coast Guard.

[inaudible]

MR. HAMEL: . . . they're trained to run a boat, chase people, they're good at chasing. They don't know the difference from a tanker to a tug or something zero. They don't know what a \_\_\_\_\_. They don't know what to look for . . . Nobody knows . . . \_\_\_\_\_ [inaudible].

[inaudible]

MR. HAMEL: This has been going on for five or six years. They sold them this past November, so I'm anxious [inaudible] before November. I would like to be [inaudible] - - - a year later, [inaudible], that's why I want to get out of [inaudible].

[Three or four exchanges inaudible]

MS. HAMEL: Too much labor.

F2R416287

[inaudible]

MR. HAMEL: Great big round sheet metal pipe. Put the \_\_\_\_\_ [inaudible] in the center. Put it down in there. \_\_\_\_\_ [inaudible] near the bottom. Pipe in the back to it, about three or four sizes of glass, \_\_\_\_\_ [inaudible]

[inaudible; occasional mention of police, Iarossi]

MR. HAMEL: -- maybe, five thousand barrels, four thousand barrels or whatever. \_\_\_\_\_ [inaudible] . . . twenty thousand barrels . . . Who knows, what the hell? Somehow, it \_\_\_\_\_ [inaudible] up there.

MS. HAMEL: [inaudible]

MR. HAMEL: No, we bought it from, uh, with our AMI Equity.

MS. HAMEL: [inaudible]

[inaudible; occasional mention of police]

MR. HAMEL: Coast guard guys know . . . discharge . . . No requirement . . . The police don't look . . . they have a window . . .

MR. BLACK: Where do you get the barrels?

MR. HAMEL: - - - the barrels accumulate.

MR. BLACK: No.

MR. HAMEL: And you're supposed to go to the, uh, the refinery, \_\_\_\_\_ [inaudible].

MR. BLACK: No, don't tell me they threw the barrels overboard.

MR. HAMEL: Two hundred.

MR. BLACK: How many?

MR. HAMEL: Two hundred.

MR. HAMEL: Those guys, four to the boat, were something else.

[inaudible]

MR. HAMEL: . . . what the hell are all those barrels doing there? But the kid was so embarrassed, \_\_\_\_\_ [inaudible] run around with two hundred barrels \_\_\_\_\_ [inaudible] On a ship . . .

\_\_\_\_\_ : Florida Keys.

MR. BLACK: That is a real problem here.

MR. HAMEL: Tell you what, [rest of speech inaudible]

MR. BLACK: Your guys?

MR. HAMEL: What he was doing is giving \_\_\_\_\_ [inaudible]

MR. BLACK: Why'd he do that?

MR. HAMEL: [inaudible]

MR. BLACK: Well. Yeah, but -

[Short period inaudible]

MR. HAMEL: - if you're gonna do it, you gotta do it. If you don't do it, you ain't nothing. You don't have enough \_\_\_\_\_ [inaudible] full of guts. But you're \_\_\_\_\_ [inaudible] do what you're supposed to do --

[Long period inaudible. Very loud laughter in the background. Mentions of Coast Guard, deposition, hearing.]

MR. BLACK: How about written orders? Any, written SOP's, or --

MR. HAMEL: Like I said, there's no record [inaudible]

MR. BLACK: But how about any orders, directives.

MR. HAMEL: Oh, -- [Period of inaudible] . . . one very angry . . .

MR. BLACK: Are you gonna come forward?

MR. HAMEL: [inaudible]

MR. BLACK: That's all we need. One body.

[inaudible]

MR. HAMEL: I got an idea. Some legal action. [Period of inaudible]

MR. HAMEL: What kind of, ah, legal action \_\_\_\_ [inaudible]

[inaudible]

MR. BLACK: You did say, hey, [inaudible]

MR. HAMEL: Oh, yeah.

[inaudible]

MR. HAMEL: . . . It does go to the bottom . . .

MR. BLACK: Tell me how long a barrel lives in salt water at the bottom?

MR. HAMEL: I don't know. About a month.

MR. BLACK: That's it?

MR. HAMEL: A month, two months. Sure.

MR. BLACK: Not over a year?

MR. HAMEL: Oh, no. Regular oil barrel, about a month or two at the most.

MR. BLACK: I'm convinced that this lobster thing people cut their oil cans in half and put them in there, you know, for lobster \_\_\_\_ [inaudible], when they throw them in the bay all the time. The lobster hide in there. Those only last four or five months. Because they get encrusted with, with a, a part of the reef and things like that. But if you have full barrels in salt water, look what it does to a boat.

MR. HAMEL: [inaudible]

MR. HAMEL: -- I'll tell ya, I could be fifty percent right. We can get this out right. I think there're few too people employed. Anybody I've ever known

who's going to live on the beach, gets a lots of tar balls, and we get this out, we \_\_\_\_\_ [inaudible]

MR. BLACK: Well, that's the time to do it, though.

MR. HAMEL: Huh? I know. \_\_\_\_\_ [inaudible]

MR. BLACK: Let's not let any grass grow on that one.

MR. HAMEL: I know.

MR. BLACK: The most important thing to do is to document that it has happened; document that it is happening and just stop it.

MR. HAMEL: Stop happening.

MR. BLACK: Yeah.

MR. HAMEL: [inaudible] . . . doing it . . .

MR. BLACK: We need somebody that saw that trip. We need any eye witness.

MR. HAMEL: \_\_\_\_\_ [inaudible], the guy who did it, \_\_\_\_\_ [inaudible]

[Two or three exchanges inaudible]

MR. BLACK: I'd like to have some, I'd like to have \_\_\_\_\_ [inaudible], corroborate his testimony, that the \_\_\_\_\_ [inaudible].

MR. HAMEL: Good idea, that, may not work, but, you gotta have something like that.

[Long period inaudible. Some mention of Port Everglades. "Unbelievable" said several times.]

MR. BLACK [speaking to his colleague out of the Hamels' hearing]:  
I'm at the table by myself now. We're getting ready to get the check. It's about twelve after seven. Give me some ones if you read me. For your information, he's been, he's been staring at your LP [RV?], because he gazing out the window while I literally thirty yards from you, up and to your left. I don't know if I've got your, got your three's, got your three's, I guess you're telling me I'm on my own. [inaudible] No more batteries.

I'll see you back at the hotel as soon as we get to leave. I'll see you at the hotel.

[First few exchanges inaudible]

MR. HAMEL: What are you trying to do, ah, is there anything to be done before you leave?

MR. BLACK: No, No. I know I can't get everything done. But I just want to get the offices going before I go. I'll only be gone a week. In this business, five days is not much.

[inaudible; mention of Coast Guard [?]]

MR. BLACK: Wait 'til you bet one. We're gonna get Chuck one of these pagers.

[inaudible]

MR. BLACK: Oh yeah, we're gonna go visit . . . You got me started now . . .

[inaudible]

MR. BLACK: I'm gonna turn it off to save batteries.

[Loud noises in background]

MR. HAMEL: Wayne does not . . . he's got a rental car . . .

MR. BLACK: Oh, no, it's a rental. Budget or an Alamo, or some kind of \_\_\_\_\_  
[inaudible]

[inaudible]

MR. BLACK: I don't know, I didn't get hit \_\_\_\_\_ [inaudible], but \_\_\_\_\_  
[inaudible].

[inaudible]

MR. BLACK: Thank you.

MS. HAMEL: [inaudible] - We haven't had a chance to . . . have dinner together \_\_\_\_\_ [inaudible].

MR. BLACK: How long ago was that?

[inaudible]

\_\_\_\_\_ : Seattle on my birthday . . .

MR. BLACK: Well, not really, my Dad was, my Dad was born in 1900. So he'd have been ninety today. He died in 1970. And my mom was killed in an automobile accident two years later.

MS. HAMEL: Oh.

MR. BLACK: A year and a half later, and she today would be probably seventy-something, seventy-five.

MS. HAMEL: [inaudible]

MR. BLACK: Yeah, well, I'm an older guy myself.

MR. HAMEL: [inaudible]

MS. HAMEL: [inaudible]

MR. BLACK: Thank you.

[inaudible]

\_\_\_\_\_ : All the guys in their twenties . . .

MR. BLACK: I'll be forty-three in November.

[inaudible]

MR. HAMEL: Did you ever go to the \_\_\_\_\_ . . . Thought it would be a nice place to \_\_\_\_\_.

MR. BLACK: . . . all that poverty . . . San Juan . . .

MS. HAMEL: . . . airport . . .

[inaudible]

MR. HAMEL: - - - she wants to go ski high, \_\_\_\_\_ [inaudible]

[About five minutes inaudible. Some mentions of driver's or divers licenses. Mention of law firm]

\_\_\_\_\_ : . . . took a month off . . . a couple of months ago.

MR. BLACK: Thank you. This is a great place.

MR. HAMEL: My pleasure.

[Side 3 ends; conversation continues in Exhibit 20]

[Last page of the original Wackenhut transcript (F2R412075) appears to be an alternate transcription of the opening of the conversation recounted above. Note that in places the identities of the speakers are reversed.]

ALEXANDRIA, VA. AUG. 18TH, 1990 PROJECT # 427 TAPE # 19

MR. HAMEL: inaudible ... on the corner here we were working on some stuff, lets make sure you like my stuff and we had a couple ... inaudible ... Yesterday, I was sick as a dog and I wasn't drinking alcohol and bending over and upchucking, I think there was something wrong with that wine, I don't know what else. I mean, wait a minute. The only thing we had in common was that wine. Unless it wasn't a good brand or something. I never, I drink wine every day, that's my little, I need a break from my diet, that's why ... inaudible ... dug it out and they put in a beautiful wine cellar in the back yard. Problem was, when they put the patio back, the cellar leaked, so they had to dig it up all over again and filled it with styrofoam and I don't know what else but then it still was not working so ... inaudible ... where have you been this week?

MR. BLACK: Just all over; I was up here earlier in the week, I was in Miami and we were in Tampa, you know, putting out fires.

MR. HAMEL: How many of you are there in the Miami office?

MR. BLACK: In Miami, we have the total amount of people down there is about nine.

MR. HAMEL: Wow.

MR. BLACK: 9 or 10; there's Sherree, John, Vern, we have about 13 or 14 totally. Good place for an office; the place is perfect. There's so much you need when you're out of town; that Diane is pretty good at; she's got to tell me what she is looking for.

MR. HAMEL: OK.

MR. BLACK: When hiring people; with these agencies;

MR. HAMEL: Another problem with the agencies; there's only one entrance to the building; they've got to find it; there's all this crap; the fact that you want something you discount them out of it you just

**2576**

**F2R416296**

Exhibit 20. August 18, 1990: Meeting at Hamel's home and elsewhere

Continued from Exhibit 49.

Prod. no.: Audio, F2R400340; orig. transcript, F2R412077-078; enhanced audio, F2R416169.

[Black and the Hamels appear to leave the restaurant and walk outside. Note: "break" indicates a period when transmission appears to be intermittent.]

[Side 1 begins with 15-25 seconds' background noise, conversation unintelligible.]

MR. HAMEL: You want to walk here? You want to walk out this door? [10-15 sec. inaudible] OK, I'll file my complaint tomorrow. They're not supposed to have more than 360 people. [20-25 sec. break, inaudible]

MS. RICH?: Fireplace . . . [5 sec. inaudible] in Sun Valley . . . [5 sec. inaudible] they have that monster roaring fireplace. . . . [5 sec. inaudible]

MR. BLACK: [appears to speak into the microphone] We're on the dock now, looking around. It's 7:33.

MS. RICH?: OK.

MR. HAMEL: Second dock for sailboats. Little red striped sail . . . [5 sec. inaudible] I haven't used it in a couple of years, it's still winterized.

MR. BLACK: Nice-looking Endeavor. 43 Endeavor. Something like that. A ketch.

MR. HAMEL: We found out that's too big for us, down in the islands using it, but to try to keep up a boat like that and . . . [5 sec. inaudible]

MR. BLACK: It's huge.

MR. HAMEL: We were living in Sun Valley, and we'd come home once in a while. It's just more than we can handle. Look at that puppy . . . [5-10 sec. inaudible] I saw a puppy there. [10-15 sec. inaudible]

MR. BLACK: You can really tell, can't you? All the glamour . . . [5 sec. inaudible] the Italians were the first ones to come out with these things with a roll-bar looking effect. Remember when they came out with that? Race boat effect . . . [5 sec. inaudible] all the high tech stuff. . . [5 sec. inaudible] Looks like it, doesn't it?

[35 sec. break, inaudible]

MR. HAMEL: This is going to be a carry-out store.

MR. BLACK: Ship's store?

MR. HAMEL: Yeah, well, food . . . [inaudible]

MR. BLACK: Yeah, I'll bet . . . I used to . . .

MR. HAMEL: The traffic last night; there were a lot of people on the road. [50-55 sec. break, inaudible]

\_\_\_\_\_ : [30 sec. inaudible] conversation between two young ladies [50-55 sec. break, inaudible])

MR. BLACK: She's cute but crazy.

MR. HAMEL: [15 sec. inaudible] cute . . . [10 sec. inaudible]

MR. BLACK: Maybe it will be like a little bullet, shooting out of there.

MR. HAMEL: Shoot right out of there.

MR. BLACK: Jesus! [30-40 sec. break, inaudible]

MS. RICH?: Tonight we're supposed to have all kinds of lightning and thunder . . . [20 sec. break, inaudible] It's just like [rain?] yesterday. [10 sec. break inaudible]

MR. BLACK: You want to come over? [10 sec. inaudible] Why don't I pick you up?

MR. HAMEL: [5-10 secs inaudible] Old [5-10 sec.]

MR. BLACK: OK. Why don't you come over around 11:00? We'll spend a little bit of time.

MR. HAMEL: Will that guy downstairs let me in?

MR. BLACK: Yeah. If not, you can page me, but just come over and then we'll . . . flowers. And then we'll . . . [5-10 sec. inaudible]

MR. HAMEL: I hope she isn't making any [transmission breaks up]. Is that the

same one? [15-25 sec. break, inaudible]

MR. BLACK: Yeah, its the same one. Different pager. This is a local pager. [dog noise]

MR. HAMEL: Yeah, I'm going to take him for a walk right now . . . We're almost there.

[unintelligible background noise]

MR. BLACK: It's 817-4253. Just put your number in there where you are. And if the guy is here he will call you.

MR. HAMEL: [5 sec. brief response inaudible]

MR. BLACK: That will be good.

MR. HAMEL: That address, again, is 525 [10-15 sec. break, inaudible]

MR. BLACK: 2341

MR. HAMEL: Thank you, sir.

[5-10 sec. blank space]

MR. BLACK: I'll read these suckers . . .

MR. HAMEL: [5 sec. inaudible] copy of them, don't lose them . . . [5 sec. inaudible]

MR. BLACK: Oh, don't worry, I'll give them back to you tomorrow. I'll read them and dump them in tomorrow, have our guy dump them in and go from there.

MR. HAMEL: [5 sec. inaudible] Copies of the Public Notice, which is May 31, . . . comment . . . [reads] . . . "Happy reading. I checked your listing on our mailing list. It was correct. Oversaw the envelope stuffing of that myself. My guess is that either the U.S. Mail or one of your . . . [2 sec. inaudible] diverters . . . [2 sec. inaudible] were the culprits behind the fact that you did not receive the package, etc." I was the only one who made a complaint in the first place . . . when . . . called me up. The Alyeska people never knew this anyway.

MR. BLACK: Don't forget to get your phones transferred. Thanks again.

MR. HAMEL: Yeah. OK. Thank you for dinner.

MR. BLACK: All right, you're welcome; my pleasure, are you kidding? Happy belated birthday.

MS. HAMEL: Thank you very very much.

MR. BLACK: We'll see you tomorrow. I'll see you around eleven.

MS. HAMEL: Good.

MR. HAMEL: I will be here around eleven and then we'll pick you up afterwards and then we'll go to breakfast.

MR. BLACK: I'm going to get in there probably 10:30 or quarter to eleven, or so.

MR. HAMEL: Bye bye.

[10 sec. break audible]

MR. BLACK: Put the . . . Put the stolen documents in the trunk of my car. These appear to be the same ones I looked at before. [30 sec. break, audible] Lincoln Town Car, 572756. It's a gray Lincoln Town Car, 572756. [10-15 sec. break, audible] I'm going to the radio now. I'm switched off the bug and going to the radio. [25-30 sec. break, audible] Rick, we're going to go to the office, QSO [?].

**2581**

**F2R416301**

Exhibit 21. August 18, 1990: Meeting at Ecolit office

Prod. no.: Video, F2R400341; audio, F2R412079; orig. transcript, F2R412080-109; enhanced audio, F2R416168.

[Transcript based on audio track from original video, as enhanced.]

[Side 1 of audiotape begins; ca. 40 seconds inaudible]

MR. HAMEL: She's been wanting to write a book, and wants to co-author it with me. I need her like I need a hole in the head.

MR. BLACK: Who?

MR. HAMEL: Lisa Drew [?], the gal that wrote this article.

MR. BLACK: Have a seat.

MR. HAMEL: Let me just make a quick call here. Rick Steiner says that the editor of Alaska Magazine, who I know is a friend of his, is writing a book about Alaska. It's about Alaska. The last chapter is about me. He's coming to interview me -- I've met him before a lot -- and his -- the whole chapter is supposed to be about my being the -- having done more for the state of Alaska than all of the environmental groups put together in the last five years in Alaska.

[Laughter]

MR. HAMEL?: A whole chapter. Alaska Magazine is a pretty nice magazine. [10 seconds inaudible].

[Laughter]

MR. HAMEL: [10 seconds inaudible] the environmental community up there is so bought out by the industry.

MR. BLACK: Hard to believe.

MR. HAMEL: See, they get their funding from industry to leave them alone.

MR. BLACK: Here's what we're going to crank up. I just got this in the fax. That will give you an idea what we're doing.

MR. HAMEL: How'd you happen to open up here in Washington?

MR. BLACK: Well, there's some -- it's very active up here, but the other reason, basically, is you. We want to start doing some effective stuff. I'm tired of all these long distance calls. I want to be able to spend some, spend some time, do a couple things. I want to be able to -- what are you looking for? That's the best, that's the best thing

your shirt - I want to be able to get this ReadWare going, because it's like it is *the* thing for us. I think it really is, Chuck. It's going to be the thing.

MR. HAMEL: Well, she did get some stationery & everything already. All right. She came through. Goddamn it. Planet Management - yeah, she did.

MR. BLACK: Changed it. See here's there looks like we were using Miami, and she got that done.

MR. HAMEL: Good. We're in good shape.

MR. BLACK: I thought old Vern - Vern must be screwing off. I thought he was going to be in here today.

MR. HAMEL: That's the computer guy? Yeah, he should use Ken this week -

MR. BLACK: Yeah.

MR. HAMEL: And anytime he's not doing what he wants, just put Ken to work. I've got something going in Japan, to see if I can get the Japanese to buy in, because he's at the end of his--

MR. BLACK: Is he? Well, he's got - Vern has got two assignments. One is to get, get Sherree, cause Vern will only be here through, I think, Wednesday or Thursday, get Sherree plugged in on, on using the thing. We've got the scanner there and we're ready to go.

We're still going to do this - are you familiar with - I'm not familiar, that's the reason I'm asking - this OCR stuff? So they're going to be able to - we're still going to put legal documents in there, depositions and things. And we can still do, you know, how many times have they mentioned, you know, Wayne Jenkins' name. \_\_\_\_\_ and it will still go to those \_\_\_\_\_. But it won't think, like we think ReadWare will. And the application of ReadWare, I guess, is pretty sophisticated.

MR. HAMEL: And you know how to use it - he can help at any time he's, you know, a couple of minutes away. In fact, what - if you're going to need any computer time, someday to spend the time, you know, Rich is - because things are slow, he's selling his services. He's outside, doing computer work for people. Saudi Embassy is using him for something, whatnot.

MR. BLACK: Okay.

MR. HAMEL: But he needs outside work right now, he's got a baby, wife & baby.

MR. BLACK: Oh.

MR. BLACK: He's got to find something, he can't afford to futz around, but now he's getting serious ... any kind of computer work they got. And he's good at using the system.

MR. BLACK: These guys have been out selling -- they've been out trying to sell the ReadWare thing, huh?

MR. HAMEL: Well, they can't -- they're not equipped to sell it. It's going to take an outside subcontractor, some other company is going to take over the running of ReadWare, and they just keep doing, developing, it, developing. And what I'm doing now is, until Ken, were going to get a hold of the company, I wasn't going too far, as far as I got a nice hunk, I'm happy. But he's got to give something up. They're not going to get any big outfit to come in. \_\_\_\_\_ a lot of money [inaudible]. It's still not user-friendly. It's not windowed, like it's supposed to be. So he's going to start -- he's caving in now. He's ready to -- he gave up a lot of -- a lot of what -- a lot more than the company before. But I have a real top guy, Tom Harper [?], who's going to -- he's big in Japan, and he used to be up on the Hill with me, he's a great guy, and he'll sell us with Mitsubishi or something.

Now, which one is that? The Motorola?

MR. BLACK: Yeah, this is a new one.

MR. HAMEL: Okay.

MR. BLACK: That -- apparently this phone doesn't work, for getting out, or something.

MR. HAMEL: Which one?

MR. BLACK: This one here. I just called...

MR. HAMEL: Oh.

MR. BLACK: Then they can't call in here.

MR. HAMEL: That's the one I'm getting. A friend of mine has it, and he's very happy with that Motorola.

MR. BLACK: Yes.

[Beeping sounds]

MR. BLACK: Yeah, it's real -- it's thin.

MR. HAMEL: \_\_\_\_\_, a friend of mine has it, and it'll recharge very easy. He has it in his car, and recharge in his car, and it -- it also -- it will tell you who -- if someone wants to reach you, you'll know that they tried to reach you.

MR. BLACK: Yeah. It will show you how to call, if you have it on.

MR. HAMEL: Yeah.

MR. BLACK: But it has a cigarette lighter plug in.

MR. HAMEL: Yeah.

MR. BLACK: It's real neat.

MR. HAMEL: Yeah. And you can also -- you can add it to the extension in the car. What do you call that? The antenna for the car, on some kind of --

MR. BLACK: And you should only pay about eight or nine hundred bucks for one of those.

MR. HAMEL: That's what -- they're really coming down. I can't believe it. But I'm not getting any of this until Exxon: [inaudible].

MR. BLACK: Yeah. I hear you.

MR. HAMEL: I used to have one in each car and all that good stuff and now I'm living without them.

MR. BLACK: Well, he can rack it up.

MR. HAMEL: [Inaudible]. Pretty quick.

[Pause]

MR. BLACK: I'm--

MR. HAMEL: And Peter Jenk-, Chandler is an attorney?

MR. BLACK: Yeah. He's a guy in a firm out there. I forget the name of it, but he's getting ready to file that for us, and all he needs us to do is sign off on it. [Pause] But that's one of four or five things.

You see, these -- here's the -- I don't know how to explain this to you, and I don't blame you for being careful, especially about those, those legal documents, Chuck, but we're doing -- we're doing bits and

pieces. Let me see if I can even try, if I can try to do --

MR. HAMEL: \_\_\_\_\_ a civil suit. You've given written notice, sixty-day notice.

MR. BLACK: Uh-huh.

MR. HAMEL: \_\_\_\_\_ expiration of the notice. I have one of those sitting out there, so I haven't got a notice problem anymore. What are they complaining about here? [Reads aloud. Unintelligible.]

Okay. This is a property that was -- screwed up, right?

MR. BLACK: Right.

MR. HAMEL: [Reads aloud. Unintelligible.] And the plaintiffs in this case would be like, who?

MR. BLACK: Would be like us, and the people in on the property. We come in as a -- as their friends and do it. Simple suit. No big thing. Not a big dumping beef, or anything like that. But what we have learned from that is what we're going to put in the computer. What we learn from that is \_\_\_\_\_. So what I want to do is -- this is the computer, we're going to headquartered ourselves up here. What I was going to say was, "Okay. We're going to suit these guys in L.A." We've got one going now out there in San Diego. That's the Gibson caper, San Diego." All these things are going to generate depositions of their experts, and that's like, what are they going to say this time?

MR. HAMEL: Yeah.

MR. BLACK: And it's going to -- I mean, whoever pays them most. And it's going to generate legal memoranda internally.

MR. HAMEL: Yeah.

MR. BLACK: And that is going to -- they're going to file motions.

So what I want to take are these motions, these motions and these depositions, a couple of cases we have in Florida, and put them in -- and you're the one that gave me the idea of the ReadWare -- and put them into this ReadWare. And that ReadWare, I think -- and according to Ewell, and according to my guy, John, that you met, is going to tell us what they're going to do.

So we're real selective when we go for the big one. Let's say we go for this guy out there, the guy that you just met, or if that's like the biggest case, we're going to know what they're going to do. And that's the way to shut them down. It's like knowing what the enemy's

going to do next. It's a -- it's a strategy thing.

MR. HAMEL: Well hell --

MR. BLACK: That's what I want to do.

MR. HAMEL: If that's what you're up to, you can get, for example, from the environmental community that's done a lot of these things, get their files. I mean, they're finished suits, they're over with.

MR. BLACK: That's what I got Sherree doing.

MR. HAMEL: And get -- you're going to get a lot of NPDES permits. And what I found where you're going to enjoy this is -- they've been whipped too many times. Because they've got new people coming and going. Okay. So these young lawyers are making their way, spending a little time here, and they go on to the next deal, I mean, to the next job, and another young lawyer comes out of college, and now he'll do the next NPDES permit.

And they're getting -- as you said -- they're getting wiped out each time by the type of things that the oil companies keep doing all the same thing. They're not geniuses, but these people they're dealing with have never had any experience. They're all new people. They're all these things -- the environmental community -- in the Washington state area, for example, hasn't done any more NPDES permits in the pulp mills, pulp mills are terrible polluters.

So Weyerhauser puts a bundle of money up. They whip these little kids. And new kids come on the block, and now they -- so the environmental community, because they can't make any money. They're out of it now. They've been out for a long while, and nobody's been back.

So I can see you picking up a lot of what you're looking for from prior cases that are done with. But you know, stacking -- and it's so easy to just put it in. You scan it in, and you can get also -- and a lot of those that are already done, they're already in computer form, some -- everything that the people -- a lot of it is in computer form, and the rest unless they're burned out on them.

MR. BLACK: Okay. I understand that.

MR. HAMEL: Do you want to win one in a hurry, though?

MR. BLACK: Oh, sure. We always want to win one.

MR. HAMEL: Okay.

MR. BLACK: Always want to win one.

What I don't have is -- what I don't have is the -- is the legal memoranda. I mean -- that's what I mean. That's the way to really -- I mean, we can take all these other -- all these other situations, all these other depos, and what I don't have and what I really need is legal memos, and that's what is important.

But the answer is yes, sure. I'd love to win three or four. Tell me how I can do it.

MR. HAMEL: Okay. What I -- I have a funny little circumstance here. It's one of these -- the kind of thing you're looking at doing, it's five years old, so it's -- it's reached its course now, and you just got to walk into court and hit it between the eyeballs. And it's all -- it's all been done.

So the thing, though, you all will become known in a hell of a hurry. I don't know if you want -- when I say "known," and a victory somewhere in someone else's back yard, in Alaska, and the case would be filed here in federal court in Washington, D.C., and they can't change the venue. It's one of these peculiar things.

MR. BLACK: Tell me about ...

MR. HAMEL: The -- I'll tell you about this John Hahn [?] thing, and where that, where that one's at. He then went to the oil companies and asked them, "Hey, guys, you know. Have you been taking hazardous waste from California and the West Coast, put in your ballast water and taking it to Valdez?" So the attorney's present, and the head of the company, the shipping company and BP and Exxon and ARCO -- "Who, us?" You know. "We don't do that as a practice, not that."

But, he didn't ask the right questions. And my -- at the time, my source at the shipping company who issued the orders to have it done is sitting at the headquarters when they came -- when John Hahn came to ask. I never told John Hahn that I had this source.

But I think, you know that much about me. . . I have a source, I promise them anonymity. If I have to give up and never go anywhere because of it, I won't do it. Because that's, you know, my thing. That's my personal thing. I've seen too many people get hurt, and I can't go help them when they're hurt. I can't get them a job, I can't help people. So what I can't control, I don't do.

But at least -- but I'm \_\_\_\_\_ patient, too. And I keep figuring some day, my time will come. So in this case, I never told John Hahn that I had this source, because he would have insisted on

meeting him, and he would have dropped the words somehow, and the owner company would know it and it's a tough ballgame, in the shipping business. So -- I just told him what to look for. I said, John, you go to the owner companies, and ask them for the cable traffic that goes to each tanker when it goes to Panama to -- to Alaska, it stops for bunkers, either in San Francisco, L.A., somewhere. When you stop for bunkers -- \_\_\_\_\_ -- I've got it all documented, you know.

MR. BLACK: Okay.

MR. HAMEL: When you stop for bunkers, it takes, say, four hours to bunker a ship. Okay. For diesel fuel. So. The instructions are, "Hey, Captain -- and First Mate -- there will be another barge come alongside, and you're to take on liquids from that, put it in your ballast water, and go in as ballast water." And ballast water is sucked from underneath, but this is coming from the top, and mix it with your ballast water and spread it out.

The captains don't like it. You never know who's going to give you what. You don't want to pull a tanker up and say, "Well, I've come to take -- they want me to take this ballast water, and there's something in it." The whole thing is the worst. But it takes more time. Instead of loading in four hours, it now takes nine hours, five extra hours for this crud to come on board, and a super tanker, you know, every minute -- you know the story about the *Valdez*, you know. Get the tanker out in minutes. So every minute counts.

So they -- I told him what to ask for, and how. What he didn't know -- is -- I knew he'd go into the office and he'd ask for the wrong thing [and he'd gotten it?], in each office. So he didn't ask for it. Didn't ask to see the traffic. He had an investigator with him, the whole schmeer. And he had the -- the third time they'd screwed me this way, with the gal from Valdez, with a very major thing, that story about this guy that committed suicide. I mean, he'd screwed me on that one. And that bad one, the MAPCO. And so, I had to live with it. I just forgot about it. I didn't forget about it, but there was nothing I could do.

Turns out that a year later, Robie Russell, the head of EPA Region 10, puts out a final report. The [TOSCO?] investigation was a failure because it couldn't find any corroboration for my sworn testimony. I had -- four people give me sworn testimony, but they're all at the receiving end in Valdez. Knew that the stuff was coming in. Knew that it upset the system. Knew that the cable traffic come in and forewarned them that it was coming in. Knew that they had to disconnect environmental analysis stuff and whatnot so they can dump it in the Bay. And they can't treat it. It upset their whole system.

And, and the problem was, according to Robie Russell, these people said that, but they were all past employees, and they can't find any present employee who knows anything about it who'll say anything - - except this gal who they seem to want the answers from. And we don't have good \_\_\_\_\_ corroborations from the owner companies. Nobody's volunteering. And so I was troubled at the time, that the way the questions were asked, they weren't going to get any answers. At the owner companies, as well. They didn't even ask to see the cable traffic. It's very simple. If you ask for every cable that goes to the ship between the time it leaves Panama and the time it arrives to stop and get its bunkers, its toll \_\_\_\_\_, you could find it right there. But he didn't.

Well, there's nothing I could have done about it, so, I just put it my backpack and said, "Well, some day, you know, I'll bitch about it. [Inaudible] Doug Baily always told me, "Chuck, keep a record. Keep a record. Some day you're going to write a book on this and you'll blow them out of the tub. Keep a record."

[20 minutes into recording at this point]

So about several months ago, apparently, EPA and DEC of Alaska agreed with Alyeska that they were to modify their NPDES permit where Alyeska would no longer be responsible for what comes out the effluent that isn't ballast water material. I.e., if somebody puts something in the ballast water that's not ocean water, and not oil clingage from the boat, it's not their fault. That EPA and DEC will henceforth become responsible. It's up to them to detect it, to have the suspicion, to fly somebody in, or send somebody in to Valdez, get a sample, and it's going to the tanker ashore, and analyze it - which takes weeks - and analyze it for what? You'd better know what you're looking for, or it will cost you a fortune, and do something about it.

But Alyeska is not responsible, because how can they be responsible? They can't control something like that. Okay.

I was the one that filed the complaints. I should have known about such a modification, I would think. But I didn't get any notice of it. But they had a public notice. It was in the newspaper. I don't - I do happen to get the newspaper, but I don't read the public notice section, for Christ's sake. The public notice section said that between June-something and July 12th of this year, there would be a public comment period, and they'd hold a hearing in Valdez. Nobody responded.

Riki Ott was responding, and going to it, she shows up in Valdez and they'd cancelled it because they hadn't heard from her that she was

coming. They hadn't heard from anybody who wanted to be there so - so they cancelled it, two days before the final comment period.

And they know the fishermen were all fishing, and nobody knows what the hell was going on. She was out fishing. How was she supposed to be reading the little ads?

So she got all prepared for arguing about a bunch of modifications they were doing that were wrong. And she also had this little modification here, and she was against it. It didn't make sense, that they'd be absolved of this responsibility.

And I was on my vacation there in San Juan Islands, and she was phoning around looking for me, and my answering service said that she called, so I got back to her. She was in for a day. She had motor problems. And she says that she wanted me to see her comments - because she never says anything like that without going through me and just - she made some horrible mistakes a couple of times and got in deep shit, trouble, and ever since then, everything she ever says about anything to do with Alyeska, Valdez or whatnot, I have to see it first, just to make sure there's no - she just sends it to me \_\_\_\_\_.

I was on these islands, and I was at a hotel, by coincidence, just having brunch in the camper. So she faxed it to me right away. And I see this clause in there about relieving them of their responsibility and crud coming up. And I'd been hearing that they were sending the crud up again. I just didn't know what I was going to do about it but I heard it was going on again.

Once they got it resolved and - you know, so Alyeska knows it's coming, because \_\_\_\_\_, it's all - hey, Alyeska and the owner companies.

So Riki made her complaint, or her comment, that she was against it. And I got in the next day to a typewriter at my in-laws and typed up a comment, and I made it by ten minutes. I found a shoemaker with a fax machine, and got it into EPA within ten minutes. And went in the next day and raised hell with EPA about it, and they said, "Well, you would have been told. We're sure you were told."

So last Monday, I got a letter from them saying, "We sent it to you. It must have gotten lost in the mail, because you were on our list." They didn't say that they knew they sent it - it must have gotten it - - "It must have been sent to you. They must have sent it. Sorry you didn't get it. The U.S. Mail must have lost it. You know. The notification.

But anyway, with you in mind, I casually called . . .

MS. RICH: Hello?

MR. BLACK: Hello?

MS. RICH: Wayne?

MR. BLACK: Yes.

MS. RICH: Hey, I got a problem [5 seconds inaudible]

MR. BLACK: I'm sitting right there.

MS. RICH: [inaudible]

MR. BLACK: Yeah.

MS. RICH: [inaudible] to know that [inaudible].

MR. BLACK: I need to talk to him. Give me a number where he's at.

MS. RICH: [inaudible]. I asked for one . . .

MR. BLACK: I'm in the office.

MS. RICH: [inaudible].

MR. BLACK: Well, that's his problem. I'm in the office here with -- I need two things. I need to know where Vern is. I'm sitting here in the office, talking to Mr. Hamel. And I need to know from him where, where Vern is. And I need to know now.

MS. RICH: [inaudible].

MR. BLACK: I'm in the office. I thought you could call into these damned things.

MS. RICH: [Inaudible]. You should be able to . . .

MR. BLACK: Right.

MS. RICH: [Inaudible].

MR. BLACK: 418-4106. And then it's extension 329. Which means you've got to call the switchboard.

MS. RICH: Yes, and he told me that he really dialed in \_\_\_\_\_.

MR. BLACK: Well, doesn't work.

MS. RICH: [Inaudible].

MR. BLACK: But I need to talk to him. I need to know where Vern is, because I have somebody here that I want to crank up the computer for.

MS. RICH: All right.

MR. BLACK: So let me know, and -- and then I'll call you back. Where are you?

MS. RICH: I'm at \_\_\_\_\_.

MR. BLACK: Okay. Yeah. It's real important to handle this for us.

MS. RICH: Okay.

MR. BLACK: Thank you.

MS. RICH: [Inaudible].

MR. BLACK: Bye.

MR. BLACK: One of these things.

MR. BLACK: Huh?

MR. HAMEL: I was so bad that I was always on my car phone, and I had -- my office had a -- my secretary kept getting me on this to get me off my car phone to call into the house, the office.

MR. BLACK: Yeah.

MR. HAMEL: But I used to use the car phone like my mother. You know, you got to talk to your mother [Inaudible]. And that's a good time. You're driving around -- I would talk to my mother. That was a twenty-minute call [Inaudible] --

MR. BLACK: I'm sorry to interrupt you. I'm getting pages -- I'm trying to find where the computer guy is, so he can show you.

MR. HAMEL: [Inaudible]. Who was that you were just talking to?

MR. BLACK: That was Sherree.

MR. HAMEL: The new young lady. What's her last name?

MR. BLACK: Rich.

MR. HAMEL: And where is she?

MR. BLACK: She's at the mall.

MR. HAMEL: So how did you find her?

MR. BLACK: She put her number in here. See, the number --

MR. HAMEL: Yeah?

MR. BLACK: 41 --

MR. HAMEL: Right.

MR. BLACK: 452124 and I called it. I was hoping it would be Vern, but it was her. She paged me. She has one of these also.

MR. HAMEL: But I didn't hear it go off.

MR. BLACK: That's \_\_\_\_\_. It vibrates

MR. HAMEL: Oh.

[Beep]

MR. BLACK: There's the tone.

MR. HAMEL: Yeah.

MR. BLACK: It's three switches.

MR. HAMEL: Yeah.

[Noise]

MR. BLACK: So if you're in a meeting --

MR. HAMEL: Yeah.

MR. BLACK: You know, I get six pages while we were sitting here. I've been looking --

MR. HAMEL: Yeah.

MR. BLACK: Yeah. That's why I finally had to call. I was ignoring them. But it's neat if you have it on your -- have it on your hip.

MR. HAMEL: Yeah. And then you're not --

MR. BLACK: And then you get a page -- feel it. It's still going.

MR. HAMEL: Yeah.

MR. BLACK: And then you --

MR. HAMEL: I heard about them, but mine used to be [Inaudible] --

MR. BLACK: [Inaudible] --

MR. HAMEL: I used to turn it off so --

MR. BLACK: [Inaudible].

MR. HAMEL: -- some Senator [Inaudible].

MR. BLACK: These are great. And then you get the number like this, and you print the number out. See, if I was going to call this --

[Dial tone]

MR. BLACK: 817 --

[noises]

MR. BLACK: Okay. 555.

[noises]

MR. BLACK: Then I send it, just like the ones at home. [inaudible] a page. Then we go like this. One page. Then you hit it.

MR. HAMEL: Then you use the pound --

MR. BLACK: Yeah.

MR. HAMEL: [Inaudible].

MR. BLACK: My problem is the pound has to be \_\_\_\_\_ or it doesn't work. That's what I was doing wrong.

MR. HAMEL: Of course. Yeah.

MR. BLACK: These are great. \$9.00 a month.

MR. HAMEL: No kidding.

MR. BLACK: \$9.95. And we communicate through them.

MR. HAMEL: You're kidding.

MR. BLACK: You can't -- you can't beat it. You might want to consider one of these, because --

MR. HAMEL: Yeah, I'm due for one.

MR. BLACK: Because she could get a hold of you, and all that stuff.

MR. HAMEL: She says it's about time she can -- I go back to my old systems.

MR. BLACK: Yeah. Anyway. Hell, I can get you one on our thing, and that way, we can communicate with each other up here.

MR. HAMEL: Okay.

MR. BLACK: I'll just get you one.

MR. HAMEL: The -- what I did, though, -- forget where I'm at with this

MR. BLACK: I'm sorry.

MR. HAMEL: Do you remember where I'm at with this? --They didn't ask the right questions -- okay. So I sent the ten-day -- I mean, my comment. I talked to the wheels at EPA, and I didn't want to press them to just knock it off. I wanted them to leave it where it's at. They wanted to make the modification. They chose to make the modification, and were going to issue a modification, until I made my complaint and so did Riki. Riki Ott made her complaint on behalf of the Oil Reform Alliance -- which is a bunch of environmental groups that she's president of -- and a number of human beings of Cordova, fishermen, the United Fishermen of Alaska. You have a whole group like that.

So they had to think twice before they moved forward with the modification without playing with it. So they were going to take a couple of months. So we got a breather, and I didn't want them to just say no, and agree with me, and stop everything. Because I wanted to take advantage of that thing sitting there, because I still have my 60-day notice. It's five years old, but it's still legal.

I gave 60-day notice that I was going to take action. They took years to say, they're not sure what I'm talking about, and now they're doing it again, and they were about to modify the NPDES permit to help the other guys, so -- and for a change, EPA in Washington is so

upset about what this guy went too far at Region 10, that they've let all of the employees out there -- the technicians and the wheels -- emote. Everybody was PO'd about their program that was being stopped by him. Go do it.

And that's how Air Quality went after Alyeska and hit them with the -- it's going to cost \$200 million to clean up the air quality problem that I identified in October '87, and had Bennett Johnson write a letter and say -- I mean, I gave testimony in the ANWR hearings. I said, "Before you do ANWR, clean up this thing."

Bennett Johnson, my old buddy who's all oil, believe me. But anyway, he's still an old buddy. He writes a letter saying, "What's Chuck talking about?" And it took two and a half years to get an answer to the letter. He hasn't got his answer yet, but Alyeska finally answered EPA, and then they got hit with all these notices of violations. When they answered, holy mackerel. This -- you can't do these things.

But it took two and a half years to answer the questions. All the lawyers are involved, holding off the answers.

So anyway. So they were a little nervous at Alyeska, because EPA said -- everybody's had problems that Robie Russell sat upon, go do your thing.

Well, the lawyer who screwed up on my stuff -- he's a thirteen-year man. I mean, he's going to be harder to deal with. But my thought was this. I have since found out that they're doing it very heavily, again. And my -- in between -- I keep forgetting half the story here.

In between, in the very beginning, when I made my comments, I also gave the documents to EPA, that were Exxon documents, BP documents, Sohio, et cetera, about ballast water, that were dynamite. It showed that they knew they had a problem. They knew they had to do things, but they didn't do it. They knew they had sludge and all kinds of problems. And they were really secret documents, really good stuff.

The owner companies -- TAPS, Alyeska, and their attorney in Washington -- same guy who was associated with the people who pick up my trash -- went to Judge Jackson, federal court in Washington, D.C., U.S. District Court, and insisted under the Freedom of Information Act to get all these documents that I gave EPA. So I stopped giving any more documents up to them, because every document I gave them, I had put on the bottom something like, "If you have to give these up, they have to self-destruct." And they said,

"Oh, we can't accept things that way." Then you can't have them. I said, you've got to have -- I will give you nothing that you can't agree to self-destruct if there's any subpoena for them or anything. You've got to protect the people. So they accepted them under those conditions. They accepted it, they took it on those conditions.

So they go to -- the owner companies go to Judge Jackson, and they say, "Hamel is not a source. The sources are, whoever they are, in Alyeska. So you're not protecting, you can't protect Hamel as a source that way. So whatever Hamel gave you, you've got to give it to us." I don't understand it there, but you'll have it all, the motions back and forth.

So the Justice Department fights on behalf, and the EPA attorneys fight in federal court, takes several years. They never get written up in the press -- I told the press, they just didn't understand this kind of stuff. So it never got written up. It just hung there in the court.

Finally, Judge Jackson, or Johnson, whatever his name is, rules that Hamel -- my name is there -- Hamel is the source and the source has chose to deliver, so the documents have to be protected. And the Judge says, if we don't do that, you'll find out -- it's obvious you're going to find out to be able to hurt these people, et cetera, et cetera, under RCRA -- all this stuff the oil companies --

MR. BLACK: Yeah, yeah, yeah, yeah.

MR. HAMEL: So then they go to the Court of Appeals. I mean, they didn't stop. They went to the Court of Appeals. They lost at the Court of Appeals. I understood they went to the Supreme Court, but I never got copies of that. And it just died there. But they went all the way, okay? So because of that, they chose the forum. I may be wrong, but I've played lawyer too often. But what the hell. I have fun doing it. They chose that forum. So they can't argue later that when I finally exercise my 60-day notice, and EPA is here in town, I'm here. The rest the diversities are all over the place. But they chose the forum, and that's where they went -- they had EPA and those documents and what not.

So if I move forward and finally sue, and sue here in town, they can argue all they want they want to kick me out of town to some other court, to Alaska, whatnot, which I don't want to be, it's too costly, it's too complicated -- I'm right here. So that's one thing. So I think it would be cute.

MR. BLACK: Okay.

MR. HAMEL: Second thing, somewhere in the middle of all that, who says I can't

throw in a motion, because I've got some real dynamite stuff. Wait until you hear what I got in this suit. But anyway, somewhere along the line I have a little second thought that I could throw a motion in to Judge Jackson, Johnson, whatever it is. You know, you said that they couldn't have these documents and whatnot because, you know, they'll find out who it is. They're going to hurt somebody, RCRA.

Those suckers have shown up at my house trying to pick up my stuff. Any chance of -- forget this lawyer-client privilege, but I want to depose those attorneys who was in here, who was told, leave him alone. Leave that stuff alone.

MR. BLACK: See who they're hiring to --

MR. HAMEL: Yeah. Yeah. They can spend all the motions they want trying to stop that, and they may succeed. But who said [I?] can't make that kind of a motion? I mean, there are a lot of things you can do if you've got a -- if -- we're not brand new at this thing. It took five years. There's a history here.

Now, what I have that makes the frosting on this cake, is Exxon. Now, you know about Prince William Sound. You know about the whole plea bargain for the restoration funds, and they're going to have to buy things to make up for the damages that they --

MR. BLACK: Yeah, yeah, yeah.

MR. HAMEL: -- never repaired. Well, it turns out that Exxon started a new type business this past year or so. They run the lightering. They use some of their supertankers, instead of coming down from Alaska, the midsize tankers, the *Baytown* for one -- and a monster barge. It's a huge tanker barge. The *Galveston*. They park it in -- in San Francisco Bay, right in the bay, at anchor. And the supertankers come to it. The *Exxon Valdez* types, that the \_\_\_\_\_. They come to it, and they lighten her there. They lighten these tankers. The *Exxon Valdez* is so big, they had to lighten it completely there. Just for your fun, the -- Iarossi, the head of Exxon Shipping, had had great debates about running the *Exxon Valdez* all the way up the river to his Benicia refinery. It can fit, but it would just be a complicated thing to do. But he said, if they do it, the only guy he'll trust with it, was Hazelwood. That was the guy.

MR. BLACK: I know.

MR. HAMEL: I thought it was the funniest thing -- I was told this the other day by one of the captains. The captain said that Iarossi, in person, told him, only Hazelwood. He would only trust Hazelwood with that kind

of a deal. But everybody agreed it was too dangerous to run that thing up that far.

At any rate, what they've done is, both those vessels had to go into drydock, as you have to periodically, for the [survey on up?]. And maintenance. And both of them, you got to vapor-free them. You've got to clean them. So - you put chemicals in, to clean everything out, and all the sludge and the scales, and the slop tanks, which have paint, crap, all of the stuff from the engine room, solids to greases and chemicals, all that down in the slop tank.

The slop tank invariably goes to reclaimers. You're familiar with reclaimers. And the reclaimer pick them - they do tank bottoms and whatnot-

MR. BLACK: Yeah, separates-

MR. HAMEL: -and they squish out all the oil they can, et cetera, and then finally they burn the rest, and Texas and Indiana are the only places with some liquid permits allowed for burning liquids with extra space. California and I don't know where else, they just - their liquid burners are, have backup. They can't put any more - no new waste can come in. You're going to like this. It's a [separate little deal?] for you.

So what Exxon did is they shipped the stuff back from those two ships to northbound tankers to Alyeska. Since the *Exxon Valdez*, this gives it some pizazz, I thought you'd like a little pizazz; I don't know if you'd like it, but I like pizazz.

[Beeps]

MR. BLACK: Go ahead.

MS. RICH: [5 seconds inaudible].

MR. BLACK: I don't know. I'm waiting on him.

MS. RICH: [15 seconds inaudible].

MR. BLACK: Oh, I want to know where Vern is.

MS. RICH: [5 seconds inaudible].

MR. BLACK: Yeah. Well, page him. He doesn't have a pager, does he?

MS. RICH: [Inaudible].

MR. BLACK: Yeah. What's that number there?

MS. RICH: [Inaudible].

MR. BLACK: No, where Vern would be.

MS. RICH: [Inaudible].

MR. BLACK: The other office.

MS. RICH: [Inaudible].

MR. BLACK: Well, check with Rick and see if he's got it.

MS. RICH: [Inaudible].

MR. BLACK: Yeah. Page me back. That's important. Have him -- what I want to know is, I want him to call and see if he's in his office, or what's he doing.

[40 minutes into recording at this point]

MS. RICH: [Inaudible].

MR. BLACK: Well, have him, try to call him there. So page him. I'm going to go to the front -- walk up to the front desk here and see if I can change the phones around, because hell, I mean, there's no reason to have pagers if nobody can call us. But I need to know Vern's location 100 percent for sure.

MS. RICH: Okay.

MR. BLACK: Tell Rick I need to know it. Thanks. Bye.

MR. HAMEL: So Exxon did at least two, right? They could have done a lot more, but I don't care about finding a lot more right now. I just wanted two, okay.

What it does is, you have to understand that in the middle of all of this, there's still this big debate where Alyeska can't meet the NPDES permit requirements. And they've been in court on that. Because they futzed around long enough, so then they said, "Oh, you're forcing us to do things. It's too complicated." So their benzene -- they just can't control the benzene enough. So they're in deep trouble in Alaska, on that subject and they're still negotiating and negotiating, how soon they're going to do what they have to do.

But bear in mind that in that compliance order that I got way back

in '85, it was an order in there that -- I complained 'cause they were taking the tank farm -- a huge tank farm, Alyeska's, which has nothing to do with ballast water, right? It's a tank farm. The oil comes in. They got a lot of water problems. That's my problem, you know. You read about me and my problems. Too much water in the oil.

Because of my complaint, some of the owner companies got smart and says, you know, we may have to take oil right off the pipeline and we get the water with it, but whenever it is in that tank farm, whatever they divert water, oil the tank farm, they would not take any oil from the tank farm without a water draw. And -- get a lot of water draw. It takes six hours to settle the water out from the oil.

So they water draw, where they going to go with the water? It's got pollutants in it. So it goes as ballast water. It's the same as ballast. But it's got a lot of benzene in it, and they wish to hell they didn't have to, but, you know, they convinced the government that where are we going to build another -- we never knew we were going to have that problem originally so, you know, what that is about is water. Let us run it through ballast water. Okay. They do.

But what I was complaining about is those tanks never have tank bottoms. They, what they do is when they water draw, -- they got pumps inside, little propellers -- and all that crap, that sludge that's on the bottom of those tanks always went out with the water into ballast water. That's how they're cleaning out their gizzards.

Well, ballast water can't handle it, all this crud and things. The whole -- so the order was issued, never can you have a water draw that includes any darkened water \_\_\_\_\_. When water goes out, when it really starts getting dark, that interface with the oil, you've got to turn it off.

So that was the problem, for Alyeska, but, okay. So then they started shipping that crap south to tankers.

But what you can't have, beyond the water, any kind of oily substance coming out of the tank farm, what are you doing sending tank linings, chemical crap from California, from a tanker in California that's going into dry dock. The law is -- it's a hazardous waste, in California, and it's got to go to a reclaimer. But if you don't get it on shore, you don't have to worry about it. You put it on a tanker going north. Okay. Okay. That's Exxon.

It's got pizzazz to it that, of all people who were negotiating up to \$2 billion for restoration, but it's not going to be popular \_\_\_\_\_.

Okay. It's a right arm, left arm syndrome. The guys that are doing it at Benicia refinery didn't want to spend that money. And they figure, what the hell? It's going to go up to the ballast water anyway.

Do you know where the men's room is there?

MR. BLACK: That's incredible. I don't know, but I'll try and find it for you.

They're paging me.

MR. HAMEL: [Inaudible].

MR. BLACK: Well, the point is, how do we --

MR. HAMEL: No, no, no. It gets better.

[Laughter]

MR. BLACK: Who do we get to say that?

MR. HAMEL: It gets better.

MR. BLACK: Let me see if I have the keys. What the hell did I do with those keys?

MR. HAMEL: Is the men's room in the offices, or is it outside?

MR. BLACK: I think it's outside, but before you go out there [Inaudible].

[Pause, ca. 30 seconds]

MR. HAMEL: Did I do this, or --

[Pause, ca. 15 seconds]

[Recording ends, at ca. 50 minutes. Side 1 of audiotape ends]

---

[Side 2 of audiotape begins]

MR. BLACK: Vern, if you're here, go to your door and -- where in the hell [Inaudible]?

MR. HAMEL: Isn't that cute. They got a gal here.

MR. BLACK: They do?

[ca. 20 seconds inaudible]

[Pause, ca. 3 minutes]

MR. HAMEL: Now I've gotten the -- now, the other one is -- I don't know what ARCO's doing here -- but BP has a dedicated dock and [tankage?] in Long Beach, California, San Pedro, where crud of this nature is accumulated in the tank, and two guys from Crowley Marine go to it, they wear gloves and masks throughout their little activity --

MR. BLACK: You told me about that.

MR. HAMEL: And they carry -- they put on the barge -- the barge is brought along side the BP Alaska-bound tanker, to put in the -- in the ballast. So we spent a little time and effort on that one this week, and my guy spent more time on it. It turns out, they started tracking down what's going out of California with this stuff. Because the reclaimers have no more -- the permits don't allow any more liquid waste to be burned, they're shipping it to Texas and Indiana.

But they tracked down a one -- for example, let me just trace one thing for you. The tank cleanings from a BP tanker, I guess. It was put in these trucks, tank trucks. These tank cleanings have all kinds of crap. You never know what's in there, okay? And then it went to the reclaimer, signed in. Then it was signed out to Texas. And the truck never unloaded. It went to the docks. That was my interest.

Now, the other thing they were trying to tell me, but was not interested but I said you would be, is the tank cleanings from tanks and whatnot out there, all the little producers out there, all this crap. It goes to the reclaimers, and what the reclaimers are doing now, they're bringing some across the Mexican border, a mile and a half across the Mexican border, and the truck driver gets paid to open the spigot, as soon as he gets to the -- wherever they're going. One.

The second thing that's going on is farmers -- this is the one you're going to like. Farmers in California are being given the stuff so that they can put it on their roads, their dirt roads around their farms, and keep the dust off.

MR. BLACK: No.

MR. HAMEL: I figured you -- I thought that'd catch get your fancy a bit. [Inaudible].

MR. BLACK: Oh, my God.

MR. HAMEL: So. First things first. Going back to the Alaskan thing, what -- the pizzazz of having Exxon pollute in its own back yard again -- BP is a much worse offender than Exxon, but I think you've been around enough to know that every time I've been involved in this kind of thing, if there's a tank they put crap in and somebody's getting rid of it for you, then other things -- other people say, "Well, the guy who's doing it for you, Crowley Marine, has got a contract." Somebody says, "Geez. I've got this shit. Don't worry about it. Get rid of it there."

Other things get in there you never even dreamed of. And that's why Alyeska, one time they got like PCB or something, but John Hahn wouldn't pursue it. They got a bad batch of something, chemicals.

The other thing you're going to find -- I don't have any proof on this. I just know it's going on, but I decided you can only spend so much money on this kind of stuff. But the burden is on them. What the hell am I doing spending all my money? I mean --

MR. BLACK: Right.

MR. HAMEL: -- I learned that a long time ago. But other than, what the owners are going to say, "Well, Alaska North Slope crude. Something came out of the tanker. So it's tank cleaning, got a few chemicals in it, but it's really ANS crude, so who bitches?" That's the right arm, left arm syndrome. They don't understand that we've got a compliance order you can't have anything [from?] the tank farm, because it can't handle what it's got. So you don't add more benzene problems and more of these hazardous substances -- this is first off -- whether it's AMS crude or not, at one point.

The whole ballast water treatment plant that Congress said they had to have, and what they agreed upon, is water from the ocean and the clingage, ANS crude, Alaska North Slope Crude clingage, in that tanker. When it gets back.

What I know is happening, but you just have to trust me on that one, is the product tankers for Exxon, Chevron, I don't know who else, but at least Exxon and ARCO and BP. Their product tankers out there, when they go for cleaning. That's what they had the last time, so if they're back doing it again, I'm sure it's the same thing again. The last time that I made my complaint, that's what they were doing. When they cleaned up their product tankers -- it cost them a fortune to get rid of the slop tanks and all that crap. So give it over to -- you know, talk about big money -- to the reclaimer, send it to Alaska. It's ballast. Who the hell knows, it's oil? It was originally

Alaska North Slope crude anyway, before it came out of the chemical plant, or it became \_\_\_\_\_ leaded gas in there, all kinds of stuff in there, clingage.

So I mean it's so wrong, I mean, it's a beautiful case, because it's all done. It's been futzing around all this time, and it's finally got to the point where now it's -- it's -- and I've got everything. I've got [laugh] -- so yesterday, I met with the guy who's left the BP subcontractor, the tanker company. And like, he couldn't remember half of it, because, like he said, at the time, he thought it was legal. Everybody thought it was legal.

So the details he can't remember, but the kind of thing I got out of him yesterday I want to really low key him, because I'm really afraid, you can't scare people away you know that \_\_\_\_\_ -- 98 bucks for lunch yesterday with him but, you know, lunch in New York, \$90.00 for two people. But I told him to get a nice, quiet place where we could talk, and he picked a nice Italian place. But what I got out of him was -- what I wanted to know was, you know, we don't need a million answers -- piles of paper that mean nothing. I wanted to know what wording were they using, what BP was telling him, for him to tell his captain what to get. And it turns out it was ballast. They called it ballast.

And so, fine. I just wanted to know what I'm looking for. And he only remembers two times. It could have happened a lot of times, but he personally remembers sending the cables twice.

And the reason he felt they weren't using him much is, his contract was, pick up the oil, deliver it and I'll give you so much a barrel. So it cost them money to use him. Using the tankers that they had under permanent hire, it -- it was their tanker. If it sits an extra four hours, it's their tanker. With him, he wants to charge them sitting for four hours, and there's a lot of debate and discussion, you know, so you just don't need that.

So he only remembers at least twice, but he explained to me why it wouldn't pay for them to be using his ships that often. It just happened to be the right time and the right place, because it was too complicated because of the type of contract he had.

But he says he knows of the slop tanks. That's the other thing. I know that the slop tanks in these tankers are always dumped in the ballast water and given to Alyeska. It's illegal, but who's going to argue. It's illegal, but who's going to argue?

That not half as bad as -- as the -- this would be comparable to you having no trash and garbage disposal on your house, and you're

taking, you know hugging the garbage every day and walking up a nice avenue and dropping it on the street along the way, you know, trooping it off every day. Well, I mean, it's that kind of crappy deal. You know you're not doing the right thing but, what the hell. Who's going to catch you?

And the --

MR. BLACK: Is it going on right now?

MR. HAMEL: Oh, yeah.

MR. HAMEL: And what I've got is, the captain that I met with -- who's scared to the bejesus, for damned good reasons. He's got family and, you know. He's been a captain for years, and he can't afford to -- you know. What's he going to do tomorrow if he doesn't have this?

He was super. I'm going to -- do well with him. It's been, oh, four months since he wanted to see me but wouldn't see me.

[Laughter]

MR. HAMEL: Four months. But what he did is, he said, "Look. He'll call and make sure the dates of these two tankers \_\_\_\_\_, right now. I says, 'I'm going to do something. If you even asked one of your fellow crewmen, a captain, what not, about some date like that, and this breaks free, you know, you can get caught.' So he really appreciated my thinking this way, and then he realized I was going to protect him. And then I said, 'Look. No, no. I don't need the dates. They went into drydock. It's not going to be that hard for me to find out what date it went into drydock, and before they went into drydock they transferred the slops and cleaning, tank cleanings and whatnot, to the tanker going north. So all I need is the fact that when they were in drydock, what happens to the tank cleanings, because you can't go to drydock.

Normally, when you go to drydock in Oregon, or wherever, the drydock people provide the barge for your tank cleanings and whatnot. And they make the arrangements, and they make the arrangements with the reclaimer. They just charge you for it. And you're going to find out, when you start looking, that none of these supertankers have any tank cleanings anymore. The drydock doesn't have any record. I mean, they don't need it. But they're made for free. Because they got rid of it. So the law is, it's hazardous waste. In California, where do they go? Or in Oregon, or Washington state? Where do they go?

It's a field day of field days. But I don't want to spend that money.

Why should we? I've got enough [cold turkey?], and then you put out -- now, what my -- which I always like to play lawyer because I've spent so many fortunes on lawyers now that I think \_\_\_\_\_ I can do some lawyering myself. And I'm always wrong, so -- but anyway - - they always shoot me down.

But my thought is, go into federal court here with the data that we're going to have on BP, and a lot of people are getting angry with BP in this country. Congress and the public, because -- madder than hell with them, because they do all this little cheating all the time. They're a big company, the number two oil company in the world. Why do they have to cheat? You know, they make enough money already. And they lie. \_\_\_\_\_.

MR. BLACK: I mean, I would love to do that. I think it can be done. But what --

MR. HAMEL: Okay, Now, when you walk in the door of federal court to do this, what I want to do is be so prepared in my interrogatories -- I don't want to spend money on depositions. Bullshit.

Interrogatories normally aren't worth shit, I agree. But when you hit Exxon with an interrogatory, "What happened with the tanker that took -- the *Galveston* took the *Bay Ridge*, the *Baytown*." And you hit BP about what really is going into this tank that's dedicated that they're wearing masks and gloves that you're shipping up to Alaska, and have your interrogatories, a whole bunch of things I can list for you, they're not going to be able to -- they're going to [gun?]. They're going to have to sit down and work a deal out.

Maybe I'm wrong, but I think the deal is going to be: I don't know if you're familiar -- About three or four years ago, somebody -- some crewman squealed on Exxon. Exxon's tankers from Aruba would come up to Baytown in -- Bayway refinery in New Jersey, dump the crude oil and products, whatever they brought up, and instead of turning around and going south, going up the Hudson River. Right by New York City. Right by the Statue of Liberty. The tanker would go up, and turn around up near the Tappan Zee Bridge. And then leave. Every trip. All the tankers.

Know what they were doing? Tank cleanings. And nobody knew. The river was pretty dirty. Cleaning their tanks, and they picked up fresh water up at the Tappan Zee Bridge. Fresh, non-salt water.

Aruba doesn't have any water. The refinery needed clean water. The tanker would go full down. Nobody caught on. There's a tanker going out in New York Harbor --

MR. BLACK: Hi, come in.

MS. RICH: Hi.

MR. BLACK: This is Chuck Hamel. Sherree Rich.

MS. RICH: Nice to meet you.

MR. HAMEL: My pleasure.

MR. BLACK: Where is Vern?

MS. RICH: I have not been able to -- I am clueless. I've been trying to find him.

MR. BLACK: Clueless?

MS. RICH: Uh-huh.

MR. BLACK: That turkey. I wish I knew. We're just sitting here talking.

MS. RICH: Looking at the computer?

MR. BLACK: Yeah. What I want to do is -- if you get ahold of him, would you ask him to call me? These damned phones, I can't call out. I've been trying to page him, but he can call me on extension 329.

MS. RICH: Okay.

MR. BLACK: (Inaudible).

MS. RICH: Let me just get this stuff out.

MR. BLACK: I'm sorry.

MS. RICH: --if you don't mind.

MR. HAMEL: Where are you from?

MS. RICH: Originally, Tampa.

MR. HAMEL: Tampa.

MS. RICH: Tampa Bay.

MR. HAMEL: Tampa Bay.

MS. RICH: But I don't claim the Bucs, so don't even look at me.

[Laughter]

MR. BLACK: Thanks, Sherree. Anyway, if he can call me -- what I want to do is make some time when he can come in and -- hopefully this afternoon or tomorrow, when he can show Chuck what we're doing with this.

MS. RICH: Okay.

MR. HAMEL: What's your schedule? When are you leaving town again?

MR. BLACK: I don't know. I'm waiting to hear -- I'll be here at least through tomorrow. So I'll be here this weekend, so you can come back -- so.

MS. RICH: Now, you're having problems with the phones? You can't get out?

MR. BLACK: Yeah. Yeah. Oh, I can get out.

MS. RICH: Can't get in.

MR. BLACK: But I can't get somebody to call in.

MS. RICH: I'm going to -- I'll talk to the people downstairs.

MR. BLACK: Yeah. Go to another phone once, and try to call me on 329. See if it works.

MS. RICH: 329. [inaudible].

MR. HAMEL: Sherree's already found her apartment and all that stuff?

MR. BLACK: She's looking.

MR. HAMEL: It's a great town for looking -- but you have to know people -- a great town for looking after somebody's house. We have friends of ours, gals, who were making -- college girls who earned a living that way in the summer. They'd look after someone's house and feed their cat. And they'd get a beautiful car, look after their cat. And they'd get \$20.00 a day or something.

[ca. 20 minutes into recording at this point]

MS. RICH: [Inaudible].

MR. BLACK: Not working.

MR. HAMEL: She has a car, so I assume.

MS. RICH: Ringing?

MR. BLACK: Huh.

MS. RICH: I called.

MR. BLACK: Doesn't work. That's just somebody else's phone set. What did they tell you? What did that lady tell you about the extension?

MS. RICH: She said that with our phone, they hadn't hooked it up as of yesterday, but it should have been hooked up.

MR. BLACK: I can dial out.

MS. RICH: You can dial out. And you should be able to get calls.

MR. BLACK: I can't get a thing. Can you call me?

MS. RICH: No, but I got calls yesterday when I was in here working.

MR. BLACK: Well, try--

MS. RICH: [Inaudible].

MR. BLACK: Yesterday, they transferred them, see.

MS. RICH: No. They weren't transferring them. It was after fire, I was in here, doing paperwork.

MR. BLACK: Yeah. Why don't you play with the switchboard? I gotta be able to get calls.

MS. RICH: All right.

MR. BLACK: But I'm really looking for Vern. Hit those -- hit those automatic answering things on the switchboard on your way out, and try to call me then.

MS. RICH: Okay.

MR. BLACK: See if that works.

But anyway, she's looking for space.

[ca. 10 seconds inaudible]

MR. BLACK: I'm sure.

MR. HAMEL: The-- I'll tangent a lot, but that's my nature, because I've got so damned much in here to tell you. But a few years back on my

water-in-the oil problem, one of the companies was MAPCO, in Tulsa, Oklahoma. They took over Earth Resources Company, who I'd had my contract with. And MAPCO was very familiar with Earth Resources, -- certain people were very familiar with my water problem.

And I had figured that out, at that point, and they saw to it that I wouldn't get paid. They cut off my contract. They were sticking it to me when they knew all along where the water was coming from. And they never blamed the ship owner, and they said that I was defending the ship owner, and I was the bad guy.

So I filed suit against them in Delaware, because they were registered in Delaware, or incorporated in Delaware, knowing that they'll scream that their headquarters is in Tulsa and they want to move to Tulsa, and I wasn't going to spend any money in the suit, and they owed me four or five hundred thousand, I forgot what it was. And I had damages and everything else supposedly and penalties and what not if I wanted to, but -- So I listed all that. I had my lawyer do it all, and I agreed I didn't want him to go to Delaware. I didn't want him to drive that far, and hire one of these guys and that dumps it into court up there. He did so.

And immediately they started motions about moving it to Tulsa, and jurisdiction, et cetera -- it was in federal court. But, I was ready for interrogatories, and we issued the interrogatories. The day we filed the suit were the interrogatories, and the interrogatories were just plain English, you know. What about this, this, this and that in the water?

Not like that deposition, where you're trying to find your way around. But I knew what the answers were, if they didn't get a right answer, they were committing perjury anyway, so [we're dealing with?] that kind of question. And -- so they didn't want to answer, and didn't have to, because they were going to move it to Tulsa, and they were going to do all kinds of things.

So then we had the guy go back and do another motion saying, "Your Honor, while they're playing around, we're fighting this question of jurisdiction." That's fine, you know. But we disagree, well, let them do their motion, we'll do ours. But in the meantime, let them answer the interrogatories, because whether we're here or out there, the judge out there is going to insist that they've got to answer the interrogatories anyway, so we want the interrogatories answered.

That one came in like on a Tuesday afternoon, delivered to the court. And I was eating dinner at home that evening when the guy who knows me from the company -- they used the right guy. They called

me to say, "Hey, Chuck. What does it take to solve this thing?" I want my money. and I want my legal fees, which were nothing at the time. But I don't want any more, just my money.

And he says, "Well, can we negotiate it?" I said, "No. I just want my money." "How much?" I said, "Just exactly what you owe me." "And you don't have to -- we don't have to admit anything, do anything?" I said, "No. Just give me my money and close the thing up."

And he said, "Can we add the old fashioned fax machine?" \_\_\_\_\_ can we do it by fax tonight?" Hell, it was 7:30 at night. I was eating dinner with my family. Sure. I mean, he had the thing to me in minutes, faxed it to me, and called me, "Please sign it tonight, send it back tonight." I had to call my lawyer. I don't go for penalties and all that kind of stuff in those days. That's not my bag. Just like my present Exxon deal, that I just want what's mine.

So he -- what I'm trying to tell you is, one thing about these oil guys. They'll futz with you and they'll eat you up alive on legal stuff, and do all -- and they'll just hire the best guys to keep you -- But where their ego -- not the ego, but where their PR is affected, where they're hurting. Where they just can't afford this kind of stuff, they fall harder than anybody else. They're really -- that's when the wheel says, "Get rid of it. I don't care what it costs. And money is no object. Just get rid of it. And it can't be in the newspaper again tomorrow." Because that's the kind of thing, the longer it festers in the newspaper, every article repeats the beginning of it. And they took polls. They do surveys and polls in Alaska to see what kind of damage I'm doing every once in awhile, that kind of stuff. So I know where they're at, and where -- but when I don't hit them hard enough, [I've never?] filed a suit. So, so, they're just futzing around.

But they're at this federal court here, and we bring up the subject of, you know, the last time that the judge, you know -- you didn't want him to see the documents. Now they're running around, picking up my trash. We may lose the fact that we want to depose, for lawyer-client privilege or whatnot, but I don't mind. Just start hitting them all over the place, so that they want peace.

In the case of the Hudson River deal, it was an environmental group that was told about it, Friends of Wildlife, whatever. And they filed the suit. They just had it in court. Within days, Exxon made an agreement with the state government who was still reeling, didn't even know what the hell it meant, and how serious -- you know, the damages, nobody knew what.

And Exxon walked in and said, "We'll give you half a million dollars"

— to the environmental group — "for restoration of the marshlands and the ducks along the Hudson River." And of course, that's all they wanted anyway and so they got it.

MS. RICH: I went downstairs, and the security guard doesn't know anything. But I called the hotel back, and he got in touch with Vern, and Vern's going to be busy all day, but he said he'd try to call you tonight and work something out tomorrow to come set up with the computer.

MR. BLACK: Okay. Is Vern at the hotel?

MS. RICH: Yeah. But he says he's going to be working on something. He's busy.

MR. BLACK: Thanks.

MS. RICH: Sure.

MR. BLACK: Thanks.

MS. RICH: Great meeting you.

MR. HAMEL: My pleasure.

MS. RICH: Have a nice one.

MR. HAMEL: Where are you looking for an apartment?

MS. RICH: I just went — I drove and just wrote a bunch down over there by the mall for renting signs.

MR. HAMEL: What mall?

MS. RICH: There's just a ton of signs out there.

MR. HAMEL: What mall?

MS. RICH: Oh. Pentagon City.

MR. HAMEL: You know, you can walk to work from there.

MS. RICH: Yeah.

MR. HAMEL: Yeah. Do you have any ideas?

MS. RICH: No. Do you have any suggestions? [inaudible]

MR. HAMEL: Do you have a real estate agent helping you, or what?

MS. RICH: No, just me.

MR. HAMEL: You looking for a furnished?

MS. RICH: Yes, it has to be furnished.

MR. HAMEL: Just saying to Wayne it's too bad. . . . We got gals in our neighborhood -

[At about 25 minutes, recording is interrupted by about 7 seconds' complete silence]

MR. HAMEL: - to get a beautiful house, and it's just a nice house \_\_\_\_\_, but there -- it's hard to find.

MS. RICH: Right.

MR. HAMEL: She's -- you know, they do it through the church, and that kind of stuff.

MS. RICH: Yeah, who you know . . .

MR. HAMEL: You just want a little apartment, right?

MS. RICH: Yes. Just a one bedroom. Like I said, I got like four or five numbers today, and I'm hoping that something over there -

MR. HAMEL: Where are you getting the numbers from?

MS. RICH: Just -- every sign over there \_\_\_\_\_ I drove by a condo place that had some for rent signs.

MR. HAMEL: Oh. And you need it in a hurry, or what?

MS. RICH: Yeah, I'd like it.

MR. HAMEL: Have you tried like the Safeway? They have little bulletin boards and stuff like that.

MS. RICH: Oh. Okay. That would be something good. Because I looked in the paper, and didn't-

MR. HAMEL: Uh -

MR. BLACK: 1132.

MR. HAMEL: You know where the Safeway and Giant is over in Old Town, in Alexandria.

MS. RICH: I can find it.

MR. BLACK: [Inaudible].

MR. HAMEL: I know that they each have --

MR. BLACK: Johnson. Vernon Johnson.

MR. HAMEL: -- little [Inaudible].

MS. RICH: I mean, like I said, I got all of these numbers. I've got at least four or five numbers. I think something over here -- when they say for rent, they've got to be --

MR. HAMEL: But you've got

MS. RICH: -- unless they're just an outrageous rent.

MR. HAMEL: But you've got to be careful --

MR. BLACK: Would you try 1130 for me?

MR. HAMEL: -- where you're going. Some of these places \_\_\_\_\_ if you get in a little white enclave, and everything around you --

MS. RICH: Right.

MR. HAMEL: -- in the drug business or whatnot, it can't be too comfortable.

MS. RICH: Yeah.

MR. HAMEL: Of course, you're on the subway system -- you can go almost anywhere on the subway system here.

MS. RICH: Yeah. Metro.

MR. HAMEL: But do you want to stay very close to this, or what?

MS. RICH: I'd like to. The closer the better for me, because [inaudible]. You all should turn the air on in here. There's a fan.

MR. BLACK: [Inaudible].

MS. RICH: That one's busted, but this one works.

MR. HAMEL: Well, where are you from originally?

MS. RICH: Tampa.

MR. HAMEL: Where?

MS. RICH: Tampa.

MR. HAMEL: All the way back?

MS. RICH: Uh-huh. [Inaudible].

MR. BLACK: Just tell him to call.

MR. HAMEL: You sound like Texas?

MS. RICH: Texas? No. Tampa. Loose.

MR. HAMEL: Just the --

MS. RICH: Tampa General.

MR. HAMEL: Tampa General.

MS. RICH: I'm going to go, because I've got stuff to do.

MR. BLACK: Okay. See you.

MS. RICH: It's been nice seeing you.

MR. HAMEL: Good luck.

MS. RICH: See you all.

MR. BLACK: Let me try to transfer --

MR. HAMEL: You know, when you have the [problems?] around the office I'm sure they're going to help you a lot, but my wife is also -- my number. She's the executive secretary up on the Hill, the Senate. So she's -

MS. RICH: Oh, good.

MR. HAMEL: -- knows her way around a little bit \_\_\_\_\_ herself.

MS. RICH: Okay.

MR. HAMEL: And if you had some problems that we might be able to help you with, or if something's not working or something, then --

MS. RICH: Good. Okay.

MR. BLACK: Lock the door behind you.

MS. RICH: Okay. I appreciate it.

MR. BLACK: I can't believe these phones won't come in. Jeez.

MS. RICH: I don't -- like I said, the guy downstairs [Inaudible].

[Pause, ca. 30 seconds]

MR. BLACK: We've got these phones -- if we ever get our game together, we're going to be dangerous.

MR. HAMEL: She has all the manners of Sissy Spacek when Sissy was her age.

MR. BLACK: Doesn't me? She's cute as a button.

MR. HAMEL: Every thing about her.

MR. BLACK: She is. She is so intense. I look at her notes here, and reading what she's doing -- water, power, offshore energy subcommittee -- she's like all over the map. She's really -- I mean -- that's why we picked her. I interviewed her, and she had all this nervous energy. She just wants to raise hell -- which is fine with me. I think you'll like her over time.

What I want to do is -- let me tell you. What you just said sounds great. If we can focus on how to file an action, and how to get jurisdiction.

I want to do two things. First, I want to stop, if this crap is going on out there in San Francisco, we need to get somebody -- you got to come in under a good faith -- we have to have good faith. In other words, we have to -- I have to be able to say that my guys saw it, which means that, through your source, I need to find out --

MR. HAMEL: We'll get that. I mean, we'd have to wait months, and I'm not going to wait months.

MR. BLACK: Okay. Well, then we need an affidavit.

MR. HAMEL: You can have all the affidavits you want.

MR. BLACK: Great.

MR. HAMEL: Of crewmen.

MR. BLACK: That's great.

MR. HAMEL: And you're going to get the tank, what's going on with the tank, and whatnot.

MR. BLACK: Okay. If that -- if that crap that they're supposed to separate out and burn off, if that is really ended --

MR. HAMEL: That's a gift you can have.

MR. BLACK: If that's ending up on land --

MR. HAMEL: It is.

MR. BLACK: That's incredible. And who's ultimately responsible for it? Who is going to be the, the defendant? Whose is it to begin with?

MR. HAMEL: ARCO, BP, Exxon, Chevron, Unocal.

MR. BLACK: What are you telling me? They're all doing it?

MR. HAMEL: Well, you see, what they do is just like what's going on in New Jersey that we heard about some time back, where somebody in New Jersey had some hazardous waste and they give it to a truck driver, and they go across the river to \_\_\_\_\_. So then it's no longer registered anymore, and all kinds of funny stuff happens, and then somebody opens the spigot, and they pay a farmer to open the -- to plow up a big hole and drop it in that hole.

Some of the things that goes on like that, up in the East Coast for a long time. In this case, it's -- there's got to be a lot of illegal documentation, oh, yeah. But for the farmers to be accepting it -- it's the same old story. I don't think they -- I don't think they really know what they're doing. I don't think the farmer who accepts it really knows that when that runoff occurs, it goes into the water, and the wildlife going down to the north and the south --

MR. BLACK: Cause they just look this far ahead, and even if they did now, don't forget, he's a farmer. He has idea what effect that has long term.

MR. HAMEL: The -- that's happening. You'll get it.

Then that -- your guy -- I thought of it there right away, when I was on the road this trip and they were telling me that part, and I says, "Well, that one there, what's happening" -- there, you're going to do just like you did at Sailfish Point. You guys are going to start trailing along and you're probably -- you're going to have a field day. [Sailfisher's Hook?].

[Inaudible, overlapping remarks, ca. 5 seconds]

MR. BLACK: That's where we come in. What we do -- and you were asking some other things we do-- is, we get these expert witnesses lined up. We get -- you know, to a certain extent, you could be -- you could certainly be an expert witness.

Here's what I want to do with you up here. Especially if we file an action up here, this office is going to be kind of like the focal point. I'll want to -- and I know that you and these guys haven't had a chance to load up your documents yet. Do you have a PC at your house?

MR. HAMEL: Small one, yes.

MR. BLACK: How many megabytes?

MR. HAMEL: Just a regular little job.

MR. BLACK: It's a little PC, maybe 20 megabytes. Do you have a modem?

MR. HAMEL: Um, took it out, but I don't know how to use it.

MR. BLACK: Okay.

MR. HAMEL: What I do is, I use it to put stuff in my file, and Ken would suck it out of my file.

MR. BLACK: Okay.

What if we loaded your documents in here? We've already given you a password I think - that's the reason I'm so pissed the guy isn't here, but he'll show you tomorrow. Load your documents into here. You'll have access to them. We'll collate the things. What I want to know -- of course, it will be totally -- I told you about the legal documents, but you'll have access to them. You can access them from your house with a modem. We'll put a modem in your house.

MR. HAMEL: I don't need that. I've got this kind of stuff in my own office. I don't --

MR. BLACK: -- oh, at your other office.

MR. HAMEL: Yeah.

MR. BLACK: What I'm trying to say is, I'll donate the time to put them in, whatever you want put in here. You can then -- we'll format it for you. You can collate it, and you can, you can really use it, because

you've got to -- you know, you're like the CIA. You've got tons and tons of the stuff --

MR. HAMEL: I'm a one-armed paper hanger.

MR. BLACK: Right. You have more stuff than you know what you have. If ReadWare is going to work, this is how it's going to work.

MR. HAMEL: Okay. But I've got a problem, an immediate problem. The immediate problem is on this crap that's going north. I've got to do something on that before they move one way or the other on that permit.

MR. BLACK: If it's a good action, we'll just submit a filing.

MR. HAMEL: Okay. Now, who do you have for me to -- I'm going to stack it all up for them. I think I've told you, I've got newspaper stories, the documents, et cetera - so I don't have to spend time finding it. Who will look at it and say, "Holy mackerel" - first of all, I know somebody in this business [is going to?] say "Holy mackerel."

MR. BLACK: We will. We'll do it right here. I'll personally do it, or Sherree can collate it. One of the things we'll do is we'll feed it into here, and we'll say what do we have. We'll OCR the shit out of it right here, and see what happens.

MR. HAMEL: You're going to get an OCR, or what?

MR. BLACK: It's in.

MR. HAMEL: You have one in there?

MR. BLACK: Yeah. It's in there. It's ready to go. What I mean by OCR it is, we're able to look at it in there, and pick out the little phrases --

MR. HAMEL: But how do you -- how do you OCR this?

MR. BLACK: You scan it. This is a -

MR. HAMEL: Oh, you've got a scanner.

MR. BLACK: Yes, sir.

MR. HAMEL: I didn't see it.

MR. BLACK: Sitting right here.

MR. HAMEL: Okay. That, I know that one there. Dan Lawn's got one of these,

and he's been sending me stuff. I was very surprised, what he does. He takes a newspaper story, puts it in there. If we take, for example, this --

MR. HAMEL: That's image, he doesn't have the ASCII file, but that's all right.

MR. BLACK: Yeah. Well, the -- just the picture of it takes up a lot of memory.

MR. HAMEL: Right.

MR. BLACK: And we don't want to do that. I mean, that's about, you know, a megabyte a page.

MR. HAMEL: Image, yeah.

MR. BLACK: So what we do is we scan the data, you scan this in --

MR. HAMEL: Right.

MR. BLACK: -- and OCR, and it says, "Tell me about" -- talk about moose.

MR. HAMEL: Yeah.

MR. BLACK: And it says, first -- this is where it's mentioned. "Moose wandered \_\_\_\_\_" and it gives us the highlights.

MR. HAMEL: So, okay. You haven't got it -- but you have to have it in ASCII file.

MR. BLACK: Yeah. It's ready to go.

MR. HAMEL: Oh, so this will give it -- I didn't know Hewlett-Packard would give you -- unless you got a -- if you've got the board in here -- okay.

MR. BLACK: Yeah.

MR. HAMEL: My guy doesn't have the board, the ASCII file. Okay.

MR. BLACK: This is -- you're looking at twelve, thirteen thousand dollars worth of stuff right there that we just bought. Which brings--

MR. HAMEL: Who would you have -- let us say that this whole crap that's going up there is, is -- everything I described is perfect, and it fits. And we're going to federal court in a hurry with it. Who would do that? Who would be the lawyers doing that?

MR. BLACK: We'd shop it, just like you shop for cars. We'd say, who have we used in the past. What kind of cases, and where is the jurisdiction. And we --

MR. HAMEL: They all have a problem of conflicts, too, because of --

MR. BLACK: Oh, yeah --

MR. HAMEL: \_\_\_\_\_ oil companies --

MR. BLACK: We check that out. But there are environmental lawyers around the country that like to kick ass. And we shop it. We say, "What's this guy charge?" Well, this guy's going to charge 250 an hour. I've got to do that. That's where -- part of the boring part of my job.

MR. HAMEL: I mean, okay --

MR. BLACK: I gotta present us -- look, these are the actions we're going to file. Like this one right here. I'm looking at this one at 200 an hour. But we're going to get some recovery on this. And part of our research fees are going to be paid for. And I haven't looked at the rest of the thing yet.

But this is the kind of things we need, and we need some -- we need some real, what they call overt acts, or some -- [inaudible]

MR. HAMEL: I figured that out.

MR. BLACK: On this date, this happened.

MR. HAMEL: Yeah.

MR. BLACK: We did this, they did this and this. This is why it's in violation. Okay? It's --

MR. HAMEL: Yeah.

MR. BLACK: We need to be able to prove -- here's one. "In their activities of the subject property, defendants generated, stored and disposed of hazardous substances as defined in CERCLA -- anyway. Defined, and it goes on and on and on. We can prove that. How can we prove that? Because I've got soil samples. I've got affidavits of neighbors of these guys. And in this case -- I think this is the one. We've got so many of these little ones going on, I've got a video, home video of these turkeys dumping barrels and barrels. That's why

MR. HAMEL: So that outfit . . . so you're paying the lawyers? I thought they'd kind of pro bono this.

MR. BLACK: Oh, no, no, no.

MR. HAMEL: Isn't that . . . ?

MR. BLACK: You can get somebody to do a pro bono case once in awhile, but you want them -- you want to get their attention. They've got twenty programs -- they've got twenty cases in the office, and one of them is pro bono, that's going to be the last case they're going to work on --

[ca. 40 minutes into recording at this point]

MR. HAMEL: Oh, I know that. That's what I figured you had.

MR. BLACK: Oh, no.

MR. HAMEL: I figured these guys were pro bono.

MR. BLACK: We're paying them. And in fact, what I want to do with you -- and this is probably a good time to talk about it -- I want to pay you as a consultant for things like this to help us get going.

MR. HAMEL: Well, I can't. On this item, this is my item. My -- I don't want to --

MR. BLACK: This isn't your item, you're not an injured party.

MR. HAMEL: I --

MR. BLACK: But even if it was, even if this was somebody poured oil in your yard at your house that we just came from, I'm not paying you for that. I'm paying you as a consultant. What I'm really going to pay you for, what I'm really paying you for, is letting me get the horsepower of those legal documents that you have.

MR. HAMEL: I don't want to be paid for those. I was just going to give them to you.

MR. BLACK: Whatever.

MR. HAMEL: But what I want is -- I want to do this action soon on the -- sue them on the crap they're putting in -- It's my complaint. The 60-day notice is already there, and I would want you all to join me, and we'd do it together. Have you ever done something -- joined with somebody else?

MR. BLACK: Yeah.

MR. HAMEL: Yeah. You do it with the injured parties. I am the injured party for

some reason, I'm the citizen I'm the one that filed the suit.

MR. BLACK: Bad thing about that is, they can take an emergency depo of you, and we don't want you in a deposition.

MR. HAMEL: They can take a depo of me?

MR. BLACK: They can take an emergency depo. They can do -- twist the thing around and do a two-week depo of you. And depos in civil cases are broad. What if they say, umm, how do you know this? Why do you know -- so what.

MR. HAMEL: So what, as long as I'm . . .

MR. BLACK: We still have to come up with some first person, legitimate source of the stuff. We've got to come up with some --

MR. HAMEL: I've got that.

MR. BLACK: Okay. Some kind -- something we can put on the desk and say, "Here's what we have." And if I were to send guys out and take pictures -- on a personal note, I personally hate that shit, and if they're doing this, I want to stop it.

MR. HAMEL: You're going to be so loaded for bear on this, that they're going to -- they're going to have to immediately -- Well, I don't know how, in something like this, whether -- I -- where was EPA put in the middle of all of this.

MR. BLACK: You don't tell them until you get them.

MR. HAMEL: Oh no, no. But I mean, you don't bother suing EPA, in that kind of stuff, you just sue the guys who are doing it. EPA --

MR. BLACK: What we do is, let's say this. Let's go down to say the guy is dumping like this one, this little one here. We go out, we find out -- we get your horsepower. If that's enough, we can do something with it. If we need more, like more statements, pictures, anything like that, we get enough just so EPA can't turn back.

MR. HAMEL: Right.

MR. BLACK: Then we report it to EPA. Then we let them do the investigation.

MR. HAMEL: Not this one. This is the one -- not this kind of stuff. I've done that, and they've fucked up.

MR. BLACK: That's fine, too.

MR. HAMEL: Yeah.

MR. BLACK: That can be the other part of the action.

MR. HAMEL: They fucked up, and now -- take me back to what you're saying. If I do the suing --

MR. BLACK: If we sue anybody, or they sue us, each party has a right to depose witnesses, or plaintiffs or defendants on the other side. That's basically it. You've got a right to depose, and ask them questions, and ask them how they know things, and why they brought the suit. And it's fairly, it's fairly broad. They can ask you, you know --

MR. HAMEL: I've been in depositions up to my ears, and when they start asking something I don't want to answer, they can make a big fuss about it.

MR. BLACK: And if they certify the question, then they can have a little hearing, and they can have a judge ask it. But the point is, there's no reason for you to be a party.

MR. HAMEL: For me -- I don't like the other guys that --

MR. BLACK: Oh, you want to be a party.

MR. HAMEL: I want them to know it's me. So. Maybe --

MR. BLACK: Do you think that -- Well, let me ask you a question. Do you think it's those kinds of things that -- being party to a suit, that's going to get them to pay you quicker?

MR. HAMEL: No. I think that when they know it's me that's done this to them, they're going to pay me quicker.

[Recording ends, at ca. 45 minutes. Side 2 of audiotape ends]

[Side 3 of audiotape begins with ten seconds' overlap with the end of Side 2, starting from "those kinds of things that--" above. After overlap, recording continues:]

MR. BLACK: So that's --

MR. HAMEL: Right. Everybody's in for their thing. I -- they -- I -- they keep telling my lawyer they want to settle. They want to do something with me. My lawyer happens to be in a very peculiar position where

he's the negotiator on behalf of the state, outside lawyer, to negotiate out the multi-billion dollar [sic] *Amerada Hess* case, which is the TAPS case, the big TAPS case, where the state has spent \$32 million on outside counsel and experts so far, on the -- similar to my case. They've cheated on the -- on the tanker rates. And they're cheating on tanker rates on the effect of taxes, windfall profit tax, all kinds of things. They really raped everybody.

And they know -- they agree they've really done it. But they didn't want to go to court anymore. They wanted to go to court -- or close as the courthouse steps, anyway -- and then settle. Then came the *Exxon Valdez*, and they needed to be in court like a hole in the head now, in federal court admitting that they've done all this cheating. So they want to settle. So the state is using -- by coincidence, the attorney general took his old partner to settle on behalf of the state. And that's my lawyer, Julian Mason.

MR. BLACK: Mm-hmm.

MR. HAMEL: And so he leaves the state, and he goes down to San Francisco, and he said to those eight oil guys, their lawyers, to discuss that settlement. They spend a week at a time down there.

In the middle of all of that one of them keeps asking, well, what are we gonna do about Hamel and the other matter.

MR. BLACK: They're asking Julian?

MR. HAMEL: Yeah.

MR. BLACK: The oil guys are asking Julian what they're going to do about you?

MR. HAMEL: One of his old classmates from Harvard. The criminal lawyer is asking him, you know, what have you done --

MR. BLACK: Who is that?

MR. HAMEL: I don't know. I'll find out.

MR. BLACK: I'd love to know who that is.

MR. HAMEL: But then the Exxon attorneys, who were negotiating with my other attorney, having to do with my land deal, keeps talking about Chuck Hamel, you know.

Oh, I forgot to tell you. The lawyer who's handling my land deal, my leases on the Slope, is Bob Price of the law firm Groh, Eggers and Price. And the Price in the law firm is his brother. He's a

partner, but he's not the name partner. Okay. It's his brother. Groh, Eggers and Price has represented Alyeska from day one. They represented them at my hearing, my water hearing. But Groh has gotten very old, and Eggers is dead or whatever, so they kind of got lost in the shuffle. They do little odds and ends now. All the big stuff is big outside law firms out in California and the Lower 48. So they got all these big guys in, and Dunn, Crutcher, what not . . .

MR. BLACK: Gibson, Dunn -

MR. HAMEL: Yeah. So they got left out. All they got is, they'll take care of \_\_\_\_\_, they're not part of it anymore. So that's why I didn't mind, by coincidence, having them as my attorney with Exxon. My partner, who is the biggest part of my deal, has had this fellow, Bob Price, as his attorney for ten years, for - to solve his problems. And he's got lots of problems.

So when we got into this hassle, I figured, couldn't be a better lawyer. He's the Alyeska law firm representing me with Exxon when I know Exxon wants to get out. If I had gotten any other law firm, the guy would have begged me to go for damages and penalty because it's such a fantastic case, and he'd have been at odds with Exxon. I'm 60. My partners are 65. I don't want damage and penalties. I want out. I got this - we've got a big place sitting there . . .

MR. BLACK: And you think these guys are going to help you with that?

MR. HAMEL: Well, they've done a good job. Oh, I'm very pleased with everything so far. They were tough, because again, what the hell - like, we were joking about it. One way for him to get the law firm back with the oil companies is go stick it through the eyeballs, and business would pick up again.

And Exxon says they're very happy it's him, because, you know, they've futzed around with him, futzed around with him. Now, I'm a very patient guy. They can find out about me. I let them futz around, futz around, until it's time to do something, and then I said, "Spend the money to do one hell of a suit." You know, tell them.

So we started at Thanksgiving, and we agreed that, by April, we'd have a court suit, whatever, whatever you guys call the complaint, and all that kind of stuff, have it all ready. Just put it in the courtroom. Every little detail, the way you would have done it. Put the lawyers on it, and all the legal assistants.

They did everything, all filled out. Just the date was missing. And then we were futzing along, and Exxon was futzing along, and they

were telling us they didn't want to deal with summer vacation -- we sent it to them on a Friday night, and made sure the lawyer was there on Friday night, that we had something for him, and make sure he got it by fax. Seventy-nine pages of it.

And the lawyers were flying over the weekend to Alaska to see my lawyer -- don't do it, don't do it. Whatever you say, you know? I know that about them, that when they say don't do it, don't do it. So then, fine. They said don't do it. In fact, they agreed that I had a hell of a case, and I was going to paper them in Alaska. They would have been published statewide. They've been hurt. It was stupid of them. It wasn't their fault. They meant well, everybody's busy, they meant well, regardless from now on. And they were flying ahead of their, the Point McIntyre Field -- \_\_\_\_\_ Exxon -- to meet me, you know, anywhere I want to meet, they want to meet. So -- I don't know how I got on that subject, but anyway. So I got him taking care of that.

Any other lawyer couldn't have done it that way. But now, they want peace at any cost. And they tell them. Hey, we know that we're in deep shit with Hamel, and we know what he can do to us, and we're going to be funding him to hurt us in the other direction, so we know that. But we're the production department, and we don't care about the other parts of Exxon, and way up on top, they're saying, "He's going to use this money against us elsewhere, but hey, we got to get him out."

So there is where I say I played lawyer. It was a hell of a mistake on my part. I don't want to be deposed, because I got people I got to protect. I was -- Dickstein, Shapiro was going to use me as a consultant when I got them the job I thought I had a piece of the action. What the hell, I brought 'em up there the day after the spill. They did the first suit and got them together.

[Side 3 of enhanced audiotape begins at p. 45 above. Wackenhut's document "Audio dupe of video Exhibit 21 (Tape 21-3)" begins at the end of this paragraph ("the day after the spill"), production number F2R411211. Continued on page 412111 of original transcript.]

**2630**

**F2R416350**

Exhibit 21. August 18, 1990: Meeting at Ecolit office

Prod. no.: Video, F2R400341; audio, F2R412110; orig. transcript, F2R412111-122; enhanced audio, F2R416169.

Continued from page 412109 of original transcript.

[Transcript based on audio track from original video, as enhanced.]

[Side 3 of enhanced audiotape begins at p. 45 above. Wackenhut's document "Audio dupe of video Exhibit 21 (Tape 21-3)" begins at the end of the paragraph just preceding ("the day after the spill"), production number F2R411211.]

MR. HAMEL: The right people. They had all the right plaintiffs, the real key plaintiffs and the whole thing. Then I found out they were making maybe 250 an hour, whatever, for stuff that I didn't get for them, and do for them.

Then they mentioned I can't talk to the people on the other side. I said, "What do you mean, I can't talk to them?" "Well, you can't talk with them." "Why not?"

They said, "Well, it's -- it's -- you can't talk -- if you're working for us, you can't talk to anyone at Exxon, Alyeska, et cetera, et cetera any more. All your sources, you have to cease talking about it."

"I can't do that. That's -- [I got to look after them?]. I promised."

MR. BLACK: Yeah. So they were going to give you 250 an hour in exchange for you bringing them up there, basically?

MR. HAMEL: Well, they weren't even part of this whole thing. I just brought them up, I picked on -- on Easter Sunday, and they were going to give me 250 an hour for all the work, all the stuff they figured I could do for them, and all the stuff I had, and deal with them, and, and help them, and -- because if I can't have a contingency with them, I can't be part of the contingency thing --

MR. BLACK: Right.

MR. HAMEL: -- because I'm not a lawyer -- I love this, law firms. What the hell's the difference if I'm a lawyer or not. But anyway: So all right, I don't do that, because I was spending a fortune. I brought all that equipment I brought up there, I had my scanners and \_\_\_\_\_ my rooms up there. My house, three -- three hundred dollars a day. I spent thirty-some thousand dollars up there, in that period.

But I figured, you know, if they're going to pay most of it, all of it, whatever. And then I found out I can't talk to my people. So hey,

I didn't sign a contract. They had a contract for me to sign and whatnot. I didn't sign it. So I [took?] the lawsuit, but I wasn't going to give up talking to the people.

So what you're telling me, I have the same problem here. It was a great idea of mine.

MR. BLACK: It's a good idea --

MR. BLACK: It all depends. If you want to use it, if this is going to be your so-called swan song --

MR. HAMEL: It's not a swan song. I've got a whole bunch of them coming. But -

MR. BLACK: Then if you want to use this, like you say, to get their attention, and if this is one of the things that's going to push them over, if you're close to settlement, you know, it's your call.

MR. HAMEL: No. If they're going to be able to depose me, I can't. I can't. Because I have to protect these people. But there's no reason why they can't know that I'm helping you guys, because it's all my stuff.

MR. BLACK: But you think --

MR. HAMEL: \_\_\_\_\_ even be quoting all this stuff that's been done.

MR. BLACK: We'll put you on the stationery. That's what it was. That will fix them.

MR. HAMEL: But I can't be -- but I would be deposed, essentially. I got to be fixed so I can't be deposed.

MR. BLACK: Right. You just wouldn't be a witness, plaintiff or defendant. Those are the people that are deposable. But that's interesting that you -- so you think that would be an ultimate thorn in their side?

MR. HAMEL: Well, because -- I don't know which one is going to do it, because I've got something else I'm working on right now. For some strange reason, the British don't seem to understand perjury in this country. They don't seem to understand about what the hell -- I don't know British law, but the British go before the Congress under oath and commit some pretty criminal perjury.

MR. BLACK: Go before our Congress?

MR. HAMEL: Yeah. But our Congress doesn't do much about it. And our Justice Department -- you know, people commit perjury every day on the

Hill. First of all, you're not usually -- you're not under oath on the Hill most of the time. You're just giving testimony.

But Miller's had them under oath. They've committed some real interesting perjury. I set it up. I set the questions up, knew the answers, and watched them lie. No, Miller doesn't know what to do about it yet. And I thought -- another little gimmick I'm going to start. \_\_\_\_\_ I don't want to be illegally [?] involved and be deposed. I found out that the employees of Alyeska love me a hell of a lot more than I thought they did. I ran into one I think I told on the airplane, that, you know, fell over backwards --

MR. BLACK: Yeah.

MR. HAMEL: -- Taking out his wallet, whatnot.

MR. HAMEL: So I found it, then, that little newspaper they put out to their people, they're always lying in it. So I decided to form a group of ex-employees and present employees, who are my sources, and meet. Call it something. I even had the Prince William Sound Group. I put out a couple of letters on that, and drove the owners crazy. That I would send -- first of all, the new legislation I told you has a task force, a presidential task force. That's my -- a gift to me, that Miller got. Presidential task force. The only other time we had one like that for an audit was the *Challenger*.

MR. BLACK: Yeah, you told me that.

MR. HAMEL: And so -- and the employees don't even know about it. The press hasn't even written it up. [Inaudible] piece of paper, throw it on the stand, President hasn't signed it hasn't formed it -- They'll do it when it gets formed. The employees don't know anything about it. But they're being told in their newsletter about legislation and this and that. But this kind of stuff, they're not told. So I said, and I'm telling the employees -- they say, "Holy mackerel. Holy mackerel." All excited about it. I said, wait a minute. It's going to be an 800 number. So they'll be calling stuff in, and I'll be out of business which is fine, and -- but this task force had better do something about -- they have to admit what was told to them and what not, and have to report on it and do something about these things.

Okay. They have to do the health audit. First of all. If I ever get a health audit of Alyeska, and it's favorable to the employees, they've been screwed, they've been poisoned or whatnot, and some kind of a long-range health plan for them, I owe the employees nothing else. That's the promise I've made to them, and if I can deliver that, that ain't bad. Because, you know, that was a big one.

So I had the commitment, and I've told the lawyer, I can't settle with them. It drives Alyeska and them crazy. They talk to the lawyers all the time, and I says, "I can't settle with them until I get a health plan for them."

And I told my lawyer, it doesn't have to be me. They don't have to give me credit -- they don't want to give me credit for anything, because it would just encourage other people to do what I've done to them. But they can work it out with Miller. They can say, you know, what Miller -- they agreed together that they're going to start a health plan, trace all the employees in case somebody got a little benzene. I don't care how they state it. They haven't done anything wrong or just the case. But the health plan, go find every former employee, and all the present ones and start marking, start watching them. Because some of them are going to be -- benzene is something that some are going to be in deep trouble twenty years from now, leukemia and whatnot.

So the other thing they said is they want to hire me as a consultant. I said, all right. Bullshit. You know. They hire --

**MR. BLACK:** It seems everyone wants to hire you as a consultant.

**MR. HAMEL:** No, but they hire me as a consultant and pay me. They don't know how to pay me off. They owe me millions. So they said they could hire me as a consultant, high-priced consultant, and of course, [Park?] may never talk to me, but just keep sending me money. And I told them, I said, "Well, you know, there's too much money involved. They can't have a consultant running around at a million dollars a year or something." So -- they owe me too much.

So I told them, go back to the drawing board and let them be a little bit more imaginative than that. They'll find -- hey, they're big companies. They'll find something.

But one thing they're looking at, I'm finding out, is, if they make their deal -- when they make their deal with me in September or October, when they pay me off for my land deal, I also have another little interest up there with them. A net profits interest in the Gwydder Bay field. It's like six other leases.

And my partners -- a year ago if they had made some special deal with me, my partners would have gone bananas, you know, what the hell's going on? But now, my partners understand this from the lawyers and from everyone else, and they've heard it, because my partners have been approached by the oil guys saying, "What the hell does it take to get rid of Hamel? You know, why does he do this to us? We're not" -- My partner says, "I don't know why the hell he

does it for. You screwed him, you know. You pay him, he'll be happy.

So now they're talking about -- I don't know how they do it, but somehow, they'd give me a little more money than they'd give -- you know, BP, ARCO and Exxon are all together in this deal to buy me out of the land deal, so they'd find some gimmick where they'd pay me a little extra -- a lot extra -- my partner would get this -- I'd get this plus something extra. I don't know how they're going to do it, if they're even going to do it, but that's -- they're going to.

Now, my partners don't mind that. They don't care what I get extra, because they're happy with what they're getting, and they understand that the reason they're getting what they're getting is Exxon wants -- and ARCO and BP are so scared of me now, that they tell the lawyers they've had it. They can't believe the things I've pulled off that cost -- I've cost them hundreds of millions of dollars, and it just -- it was easy when it was twenty million, we used to joke about it. Twenty million. You know, Exxon had 20 percent. What the hell is 20 percent of twenty million? If you paid the guy, then somebody else will do what he's doing. No agreement could last this long, because nobody's got the kind of money I had to last this long. So I don't know that they'll ever [hurt?]. But I find that if I don't keep hurting their eyeballs, they'll dilly-dally with finding a solution, and I'm 60, and I'm tired, and I'm worn out. So I figure every time I do something, it puts it back on the front burner. They say, "That damned Hamel." \_\_\_\_\_ eight major oil companies, I work in a couple billion dollar settlement with Julian Mason, who they know is my attorney, and they wish to hell I'd get out -- it's the top attorneys for these companies, and outside attorneys, who are negotiating this thing.

If I keep goosing it, and I get to about -- I figure October, November, they're going to finally make that settlement. Maybe not, but it looks like it to me in my mind, because of the court dates and what not.

But I want them just looked cross-eyed from the way I hit 'em.

MR. BLACK: Uh-huh.

MR. HAMEL: [So we'll worry about it?] later, about how it's worked with it. It doesn't have to have my name on it, but they'll know it's me from, you know, everything that's happened, and I just want them to know that it -- that I'm not going away.

MR. BLACK: Then, from your point of view, you told me, Chuck, that you -- before that you -- I think, three or four times you know we talked on the

phone, the banks were -- were paying you [?] because you were getting overextended, because you've been doing this for eleven years.

MR. HAMEL: Oh, they're driving me nuts.

MR. BLACK: What I want to do, I want to give you a couple of thousand a month just to act as a consultant. And at the same time -- and it can be an off-the-books consultant. And at the same time, I want to be able to use some of those, the theory of those legal documents.

MR. HAMEL: The legal documents have nothing to do with that.

MR. BLACK: Okay.

MR. HAMEL: They're yours.

MR. BLACK: Okay.

MR. HAMEL: I had to make sure, you know, I wanted to know who the hell you were. And I also -- whatever you do with them, I don't want them to come back to haunt me.

MR. BLACK: Okay.

MR. HAMEL: The legal documents. The same person who got them to me is the person trying to find out for you. Who --

MR. BLACK: Who's looking at us.

MR. HAMEL: Who's looking at you --

MR. HAMEL: -- I know who's looking at you, but what they're finding out, or what -- or why -- well, I know why. They're just -- they ran across -- they ran across it in my mail, they hit you. If you show up twice, they want to know. But --

MR. BLACK: Those are dynamite documents. How in the hell --

MR. HAMEL: I know that.

MR. BLACK: How in the hell did this person that got them to you ever get them out of there?

MR. HAMEL: Well, that's why I'm nervous about where you're going to have them, because that's what life is all about.

MR. BLACK: They're in-house documents.

MR. HAMEL: They're in-house documents that came right out of Alyeska, is because somebody is pissed off. I got more people that are just pissed off that Alyeska does these things, just like this ship captain who - this guy is unbelievable. Why would he do what he did, telling me the stuff they're doing? I'll tell you what I hope to do with George Miller. George Miller is going to be a big friend of yours. And when you do send this stuff, I'd like to -- whenever it's possible, you run it by Petrich, and let Miller look at it --

MR. BLACK: Those guys -- those guys don't want to know about legal documents, internal legal documents.

MR. HAMEL: No, no. But they've been wanting to know, Petrich asked me for those a long time ago. I didn't give it to them.

But here's what's happening to Miller. Miller got -- originally --

MR. BLACK: Does Miller know about it, or just Petrich?

MR. HAMEL: Just Petrich.

MR. BLACK: Okay. Good.

MR. HAMEL: Yeah.

MR. BLACK: Because your other -- your other lawyer said he didn't ever want to see him. Because they're hotter than a firecracker.

MR. HAMEL: I can tell you that the Attorney General of Alaska knows about it. The attorneys -- for the plaintiffs know about it. The Justice Department knows about it. Everybody knows I got them.

And, and, and -- and they all sit in their room and say, "I can't look at them," but I can tell you, some of them have just kind of wanted to see what the heading was on each one of them, and they go, "Whoa." And I said that sooner or later, I would find a way for them to have the benefit, and I said, "I'll figure something out." Because there's no rush anyway. They're not there yet. And you may be the vehicle, I don't know.

MR. BLACK: Yeah. Yeah.

MR. HAMEL: So --

MR. BLACK: Well, see, in this form, once we put them in here, we're going to - - you know the way your own ReadWare works, it's going to be the form to extract the information. We're not going to have pictures of them after the first input. But my computer guy will explain that

to you tomorrow.

MR. HAMEL: Now, you know that there are some big spills coming. I don't know if that's an area you guys want to get into. But if you [thought?] the *Exxon Valdez* was something, you watch.

[ca. 20 minutes into Side 3 at this point]

We saw the other day that a barge 5 - 6 days ago buckled in Houston. You know, why it buckled, how it buckled? It's like, you know, in your home with a plastic bag or whatnot. If you overload it once, it's going to burst on you. Well, a barge, a tanker has to be loaded very carefully, and topped off, and any supertanker, you could bust that open, just by misloading it, at loading, at the dock. And they've had some close -- but you're also causing stresses, and that's why they're having all these leaks and whatnot.

Well, everybody's cutting back crewmen, and just -- it's a hang up.

MR. BLACK: You told me about that, but you know, oil prices are going crazy because of this *Exxon* --

MR. HAMEL: Exxon has, going on right now in San Francisco Bay -- but not only them, they're all doing the same thing, but I just happen to know about Exxon, lightering operation, where these two vessels, the *Baytown* and the *Galveston*, are -- you -- I don't know if you read the NTSB report on the spill, the *Exxon Valdez* spill, but even the NTSB made a big issue about the crew was overworked. When you're overworked, you make mistakes. You make mistakes, you cause accidents. The accident was -- everybody was overworked. The first mate who should have been up there steering, and the captain -- first of all, the captain shouldn't have had anybody doing it anyway, but if you're going to have anybody, you're going to have the first mate steering you out of there. Instead, the first mate was sleeping, the second mate was sleeping, because they were overworked. The third mate was overworked, like them, but felt sorry for them and figured he'd do it because he'd never ran a ship like that, but that's the kind of ego trip that will never show up in court, but anyway, that's what happened. But -- Miller wanted the task force that we're talking about to go from Prudhoe Bay, which it's got now, to California, Panama, the whole coast. Tankers and all. Merchant Marine Committee, you've got no jurisdiction. You're always overreaching. Screw you.

So you finally want to lease the terminal, because it's got federal lands along the way, whatnot, but he wanted the tanker part, but he didn't get it. Merchant Marine and Fisheries, you know, with the PACs -- you know, they can do what they want. They can have a

one-man crew and a whole ship, and they don't care. Okay? So - paid, they're all paid off.

It turns out that, that these two vessels in San Francisco Bay, the guys are just -- they're either loading or unloading, and they're loading and unloading -- the tanker's coming, and as soon as they're full, they go up to the refinery, hurry up and unload, hurry up back. Tanker's waiting for you. Unbelievable. And every -- and undercrewed. And they won't give them any maintenance. No maintenance is being done [2 seconds inaudible], but no maintenance is being done. Everything is going to pot. Absolute horror.

And the only -- the guy is telling me, the only reason nothing has happened is, if you had some real oldtimers, they couldn't take the hours and work involved. But the young tycoon -- the young guys, they're just young and a genius and just catch it before this happens, and see this before it happens, and everything is being saved, but it's a razor's edge thing.

Everybody is pissed because you're only supposed to be sixty days out, you know, on these things, and there's no replacement. Exxon is so short of replacements right now, it's unbelievable. So each time you're promised by next week, you get a relief, and he doesn't show up, so you got another two weeks, another two weeks, another two weeks, or whatever. And 120 days, you're still there. Double.

If you just -- if you got on doing 120 days, that's -- but being in the battlefield and they keep telling you, you're going to be relieved over the weekend. The relief never comes, it never comes -- you tell your wife, "Don't worry about the dental thing, or don't worry about the kid, this." They're just like you and I.

And they make big money, so it's -- then they got a house -- some of them have an apartment deal they got, so they all got little side deals. Sixty days on, sixty days off. Like an airline pilot. They've got all those little side deals going.

Well. They get angrier and angrier and angrier, and they're frustrated. And they can't do maintenance to the ship, and things aren't working right. The anchor doesn't drop, because it doesn't have grease in it, because they're not doing any overtime. They're not allowed to do overtime.

There's not a radio man. So if something goes wrong, the captain's got to, or the mate's got to take turns go down and be the radio man, because there's no radio man. There's nobody on the bridge.

And the interesting thing he told me. The captain was saying, "Just think of it, Chuck," he says. "If there's an accident, I have to be a

radio man too, or a first mate." But he said, "An accident on a tanker, the Captain better be up on the bridge. But he's going to be down in the radio room, because there's no radio man." It's a whole new deal now that -- and I think I told you, the radio man, each one of them is learning to memorize the answers.

MR. BLACK: Told me about the test. Yeah.

MR. HAMEL: So the whole thing -- but it's systematic, what they're trying to do. Cut, cut, cut. And it's not because of the oil prices. It's not due to the oil prices. It's a profit center, and every profit center making more and more -- how much money can you make?

MR. BLACK: Well, they started that before this thing with Kuwait. They were -- you told me about that months ago.

MR. HAMEL: Oh, yeah.

MR. BLACK: They were cutting back. Can you look at what they're making now? That's incredible. Look at it --

MR. HAMEL: But they always make it, though.

MR. BLACK: Yeah.

MR. HAMEL: The tankers make money.

MR. BLACK: Yeah.

MR. HAMEL: But see --

MR. BLACK: Yeah.

MR. HAMEL: I guess what you've got to bear in mind is, if Alyeska was making a billion dollars a year profit, and it -- and they still were cutting back. They couldn't stand it. Cut, cut, cut. Because any profit center -- everybody starts losing their mind. A little more -- if you make a little bit more money for them, they give you a better promotion, and when you retire -- three-year retirement, you know, three -- last three years what you retire at. And these guys just -- they'll do anything to make the profit center more profitable, and "what did you do for me today?" type thing.

And that -- that's the way it operates.

But -- so what I'm looking at doing there for Miller, it's real cute. I talked to Petrich about it very briefly, and he's going to be calling in from the trip, so we can spend more time on it. I've got a guy

who's no longer going to sea, who was inspector for the unions as well as being a boatswain and mate. And he runs this thing they call Sound Watch I told you about, and he runs [COP?].

And - nice guy. Very naive. Over his head in what he's trying to do. He belongs at sea. He doesn't belong on shore - Out of Baltimore [?] - And he's real cute in how he operates and whatever. But yet, he's got great informants, great people, great - great contacts. But what I want to do, if I can pull this one off, is I want Miller - he's going to start campaigning very soon. He's already campaigning this week. He's on vacation right now, but he comes back for a couple of weeks, then he goes every weekend campaigning, and he lives out there with his family every weekend. And then for the November election, he's campaigning, in San Francisco, where his area is.

And he's known for worrying about the \_\_\_\_\_ - the whole system. He's always been arguing, he's worried about the system, and as it goes by. Oregon, British Columbia, and we've got to be sure of this.

And what - he's done a lot of things. He really trusts me, and we're doing very well. And I can say if he wants to do this, he will hire John Ballantine, an expert, who knows tankers \_\_\_\_\_ - he's been in the tanker trade in Alaska, \_\_\_\_\_. And he was an inspector for safety for, for the unions when he got out, because he was so mad at what was going wrong.

[2 seconds inaudible] the committee. The committee, now under subpoena and everything else. You know, the committee. Expert. And hires him, puts him in his office in San Francisco for a couple days. And he takes him with him, on a given day, and he tells the Coast Guard, I want to take - I want to ride around with you, watch, you know, the ships and stuff one day. Gets that approved; Coast Guard says sure, any time you want.

And then on a given day, and my Exxon captain is going to tell me what type of day, when, just like I wanted to do with Alyeska before the spill when the Coast Guard wouldn't do that for me. It's a certain hour, certain time, loading and unloading and - and the boat. Everybody's so exhausted. And then they're going to go up further, to Benicia. And accidents are going to happen.

And that's when Miller would say, at that time, we know the right moment, and everybody's going to be overworked, whatnot. Miller is going to say to the Coast Guard, "Okay. I want to take a tour with you. All right? This is my time." That cutter will be there in a minute, forty-footer, whatever. "And I'm taking my assistants with me." Fine. Staff member is going to have the United States House

of Representatives, identification and the whole schmeer.

And as they start off -- "What do you want to see?"

"I don't know. Let's go out -- what's that over there?"

"That's a tanker lightering."

"I want to go see that, right around. Okay. Let's go out to it." Nobody's gonna [inaudible].

So they ask to board, the Coast Guard boards the tankers all the time to do safety inspection, to do whatever. "Let's go up and do that one. Let's go up and see it."

So they get in there, looks around for a few minutes. "I gotta go. Just got a phone call." I [don't?] know. He's got a beeper, got a beeper or something. They've got to leave. I'll leave my assistant on here with you.

The Coast Guard leaves someone with them. We're not taking, leaving him, he's House of Representatives. How is Exxon going to kick him off? He's got the Coast Guard guy with him. He'll look around, and know what to ask. He's going to be told everything to find on the ship that's wrong, and talk to the crew. How long have you been operating? How many hours have you worked? What the hell's going on here? Aren't you -- you know. And ride up the river with them.

MR. BLACK: Whose idea was this?

MR. HAMEL: Mine. It's a great idea.

MR. BLACK: Does [Inaudible]?

MR. HAMEL: No. No. I ran it by him, but it's mine. Miller couldn't get that part. But that's San Francisco. It's his town. I mean, if they spill, it's right here in his town. And the refineries are right there for him. So he may -- he may say no. You know, he may be afraid [of the refineries to go after them too much?]. You never know.

MR. BLACK: Well, it would be great.

MR. HAMEL: But if he does it, then what he would do then is, is scream, rant and rave. Who is it again? Exxon. I hate to beat on Exxon, but what a beauty. Exxon, you're about to have another accident again. Exxon, don't you agree that that task force ought to include the shipping, all the way down, and not just be for Alyeska?

And he'll go back and say, "If you don't agree, I'm going to have a whole hearing tomorrow, and we're going to argue." He can hold a hearing right there in San Francisco. \_\_\_\_\_, you know, they'd do that in a minute. He could demand to hold a hearing right there in San Francisco, and have those Exxon -- top officials at Exxon, and answering questions they don't want to believe. And he's going to have an expert of experts on that type of tanker, who will know what to ask, and how to ask, and now make sure that it works.

Anyway. That could be fun for Miller.

MR. BLACK: But this is happening on a regular basis, though. My question, just as a citizen and as a human is, what can we do to stop it?

MR. HAMEL: \_\_\_\_\_? That's his -- that's his problem. He's going to have a task force, and it's going to have -- the task force starts operating, and they put a Ballantine and whatnot on the ships and whatnot. Find the crew, all want to tell you. The crews are all going to tell you -- holy mackerel. Under, under subpoena, they want they wish.

MR. BLACK: [Inaudible]. But do they do it every day. I mean, they do it on a regular, an ongoing basis, or is this a --

MR. HAMEL: Yep.

MR. BLACK: Is this a specific time?

MR. HAMEL: Every day of the week. As I said, they're undercrewed. It's not working right. They don't have enough men. [Inaudible].

MR. BLACK: Not the mechanical part, but what about the dumping part?

MR. HAMEL: This is not the dumping part. This is the mechanical part.

MR. BLACK: Okay.

MR. HAMEL: The dumping is on a regular basis.

MR. BLACK: Okay.

MR. HAMEL: So that, your guys are going to have a field day.

MR. BLACK: Okay. And you're going to bring me that stuff.

MR. HAMEL: And Ballantine is going to set you up, for your people, and you're going to hire Ballantine, and he'll go with you, and he'll take you to his people, and they're going to take you on the tour, and they're

going to show you where to find all this stuff. And he needs -- he needs to go to work, Ballantine. He's good at -- I mean, he's on a - - he's \$50.00 an hour. And he's working for you at \$50.00 an hour, and -- and I've got his contract around somewhere. I finally signed it the other day.

But -- now. Another thing. I don't want to [fix?] you, but I'm going to load you up this weekend, okay? What do you think the *Exxon Valdez* spilled?

MR. BLACK: What do you mean?

MR. HAMEL: They had the spill in Alaska. How many barrels do you think, or gallons do you think, are spilled?

MR. BLACK: You mentioned this to me on one of our telephone conversations.

MR. HAMEL: I know.

MR. BLACK: Well, you said --

MR. HAMEL: The newspapers said 10.8 million.

MR. BLACK: Yeah. And you think twenty?

MR. HAMEL: Over twenty.

The problem -- now, from your point of view, how could that happen? Well, Yost and the White House -- remember, the White House tried to downplay this whole thing to start with?

MR. BLACK: Yes.

MR. HAMEL: And they didn't want it the biggest spill in the world, don't need that right now -- in history and all that kind of stuff. Exxon surely didn't want the biggest. And within -- when they still didn't know what was going on, they picked a number -- 10.3 million. I remember that. 10.2 -- it was over ten million.

Weeks and weeks later, they said they made a mistake and it was 10.8. Because everybody kept saying it was more and more. Everybody kept saying it, and they -- they couldn't handle it, so they finally upped the ante, stayed but got below the eleven. I haven't looked lately at what the big national disasters were but for some reason, that was a lovely number for them.

The kind of stuff that I've been given -- for example, the pilot who was flying the airplane with Stephens, Yost and Jarossi, where they talked about leaving the figure at 10.8, 10.2, whatever. Keeping it,

keep the figure down. Ted Stevens in the airplane. That's nothing. It's just fun, corroborating stories like that.

I won't bore you today with the details, but I'll tell you another day up here, because I'm not spending time on that for the next few weeks, and I stopped spending your money and time on that for the moment, because I'm very happy with what I got.

It's a lot higher, and if it was just fifteen million, or twelve, thirteen million, I wouldn't agree the discrepancy, you know. They made a mistake, you know. No big deal. But it was a very conscious act, and the first mate did some crooked things to keep the number down. Disconnected the computer system, et cetera.

Pump man, who flew in -- was flown in from Seattle to -- because they did it all from the deck pumps that were brought to the ship. The regular pumping system didn't work on the *Exxon Valdez* --

MR. BLACK: Yeah.

MR. HAMEL: I -- I don't understand this stuff, but I talked to my experts to find out why. My experts said, this is the tanker -- the oil is here, and when you had the accident, the oil in that tank, wherever it's been punctured, the oil will go down to the level of the water outside because of the pressures, atmospheric pressure. That's one.

I always thought that the water underneath -- would only be -- if this is all oil -- would only be equal to where the perforations were, to the height of the perforations. But they call it seepage, and water just keeps going up, and oil keeps coming out. Okay. So it's water.

So you've got the oil down to the water level outside, and the water keeps coming up.

MR. BLACK: Water rushes in and pushes the oil out.

MR. HAMEL: And pushes the oil out, and it's seepage for days, and it keeps going on.

Well, I remember that the measures were supposedly being done, counting the water -- the water level below. The tanker has along each tank, there's a picture, like a tape, in that case, which is actually something like this. This is in there. Because you always want to know how much water you've got. There's always water in the bottom, or there can be water in the bottom. Separation, whatnot. So that tape system is connected to the computer in the *Exxon Valdez*; it's super modern. And you can press a button, and it will tell you where the water is at. The \_\_\_\_\_ to the satellite

telephone system was talking to Houston how to disconnect that tape, because it was screwing up his quantities. And the guy who was with him, that helped work the computer with him when he disconnected the system, so that the computer gave measurements based on no water. So then he had to extrapolate for himself, because - no water on the bottom, because it was too damn high. But - all these are just little things, okay? But then, Mr. - the pump man, who was flown up from Seattle, who was introduced - Ballantine has interviewed him personally - the pump guy says -

[Recording ends on Side 3 at ca. 38 minutes; continued in Exhibit 22.]

**2647**

**F2R416367**

Exhibit 22, August 18, 1990: Meeting at Ecolit office

Prod. no.: Video, F2R400342; audio, F2R411221; orig. transcript, F2R411222-242; enhanced audio, F2R416170.

Continued from Exhibit 21 (ca. 52 minutes).

[Transcript based on audio track from original video, as enhanced.]

[Side 1 of audiotape begins]

MR. HAMEL: He was there. Talking to everybody. Friendly to everybody. Nice guy and he was a wheel to talk to, [inaudible phrase re "fish and hatcheries"], so they paid attention to him.. but he got to know, like you and I would do, you got to know everybody and anybody, he is here, all those, for the month and a half that she was sitting here and whatever. And [his problem is?] in the radio. He had a press conference and they would say how much oil was transferred that day and he was here for a boat show, [inaudible]. What the hell. He had nobody to talk to. Who was he going to talk to. VHF called in to say, you're lying. You know.

MR. BLACK: Yeah.

MR. HAMEL: He kept bitching so one of our guys would show up and coming through he'd tell him... Oh, a big lie, this guy is full of bologna, but he was getting \$4500 a day for the boat and his crew, he was there for three months.

MR. BLACK: Jesus.

MR. HAMEL: I mean, they kept them busy and the spill clean-up and what not when he came in in October, everybody was gone. Three months more or three months whatever it was 6 months. He made a fortune. But, everybody was gone, ah, the fishermen had gone to Thailand, wherever their girlfriends are, their \_\_\_\_\_ girlfriends are Hawaii, Thailand, all that, Taiwan. And the rest went to Seattle what they would do et cetera. It is like everything else, he made a lot of money, what are you going to do. You know there might be another spill and that is when they really beat me, you see, if .. the next spill, the guys will make a half a million dollars doing nothing. Not even being on their boat, they got crew, how they pay the crew, so they don't want the boat any more, so what was he going to do, nobody would listen to him, nobody cared, so he is going to be talking. He will be through fishing in about two and half weeks and he knows me through - we have a good mutual friend. He'll tell me what he knows. Ah, the Captain, the alternate captain to the *Exxon Valdez* - Stalzer. He was brought up immediately and he handled the unloading, the transfer. Cause it is very complicated. You don't

transfer right, the whole ship will break in half. That whole pumping operation was very critical, and the way you took oil out, water had to go back into its place. So there is water all over the place, see, even when the non-ruptured tanks couldn't be sitting, couldn't take the oil out and let them sit empty, cause the stress is against it. Everything has to be balanced out. So Stalzer was the expert. The ultimate captain of the ship and he was with his uncle, run this thing. On his way out, Stalzer was pissed. I mean, when you have worked your way up to the best ship in the fleet and your alternate captain, you never liked the alternate captain, anyway, as long as the guy was not as smart as you are. Lost them on you, and you become, ah, what you call that when you go from ship to ship. Ah, ...

MR. BLACK: Filler.

MR. HAMEL: You are filling, you don't have your ship anymore. See, you are sixty days on and sixty days off. That is, and you make 120 grand a year, and ....

MR. BLACK: What do they call those guys, relief?

MR. HAMEL: Relief. Wherever they need them, he has been shipped around in rinky-dink boats wherever, for voyages too, not just for [inaudible] fill in the gap there -- the guy was pissed, so there my friend Rick Steiner who is [inaudible], Rick tells me one day, Iarossi owes him a lot cause Rick saved the hatcheries for him. Rick ran the entire hatchery thing, before there was Rick the hatcheries was all gone. Rick Steiner was a brain and our [inaudible] fishermen didn't know what the hell they were doing and he was the brains, and very cool calm, remember his mother used to be at the White House.

MR. BLACK: Yeah, he told me.

MR. HAMEL: So this kid knew what he was doing, so he told Iarossi, you owe me one, he says I want to ride the tanker from Alyeska to the pilot station. Just to see what the hell this is all about. Iarossi says sure, *Baytown*. [inaudible] Go to the *Baytown*. So he rides out of the *Baytown*, and I don't know if you know how long it takes, by the time you get aboard the ship and shove off, it is probably four hours, and it was only then I forgot how many hours before the tug gets you off and [you're finally under power?], Jesus, I think it was about 12 hours. And you are sitting there in the wheelhouse with the Captain, and Rick is the nicest guy you have ever met. 6 foot 4, nice guy, he's a marine biologist, fisherman, so he got very friendly with the captain and let the captain spout off with the fuckin' Hazelwood, and he wanted to spout off. And he said, Hazelwood the story is not true, that he wished he would pull this up there at NTSB, because they are not telling the truth and he is pissed at everybody, so, ah,

the crewmen are his crewmen, they didn't like Hazelwood the alcoholic anyway, they liked him, so the minute he got to the ship he found out what happened. Each crewman told him what really happened, but he wouldn't tell Steiner what he knew, but he told him it is all bull shit, I wish to hell I could testify, but they won't let me testify. They don't want me, the NTSB people, nobody wants -- so well, he is pissed, so then afterwards, hours and hours with him and he's pissed and doing all of this complaining but he won't tell in details, Steiner says I don't know how I did it. When I told him it was discrepancies, he says, "I'll be damned," he says, "Chuck, I remember [to my dying day?]," and I just told him that Steiner, who was handling the defense of the hatcheries and all that stuff, all that oil heading down to Japan, he said, I asked him, 10.8, I had a problem with it, was a lot more than that or whatever, and Steiner said, "It is more? Wow." And his eyes goes up in the air. And so Steiner says, well, "How much more?" Wow, [inaudible] would you tell me; he says, "I can't tell you," but he says, don't believe that [figure?]. Again, what are you going to do with it? Who cared, what are you going to do with it? But when I told Steiner who cared, this: If we prove that the Chairman of Exxon, Rawls, Lawrence Rawls, knowingly deceived, talking about, forget deceiving the government, cause Yost was involved. Yost had coast guard people all over the ship all the time they were involved, but they, ah, I'll tell you how serious this is, if I can solve this one, you are going to love it. Because, ah, picture a war. A Valdez, 20 feet of snow, a war is going on, nobody can live anywhere is like foxholes, everybody is living in someone's basement, there are no basement, but somebody's attic and you need to use their phone, they are not the greatest homes in the world, up in Valdez, but everybody, you talk to the top correspondents of the world, is Chabakov, *New York Times*, Peterson, you name it, Ken [Weld?] of *Wall Street*, all of these top guys, all up there and extra people from every newspaper, *New York Times* had five or six people, you name it, every newspaper, okay, Bill Coughlin spent sixty days up there, from the *Globe*, everybody, living like, you wouldn't believe it, and the person whose house you are in, you ride in their car. It was really crazy, and walking in boots, but -- they were herded around by Exxon. Exxon would call a press conference and you would be herded in this huge room where no one could move, it was so thick of people. They say what they want and they got the hell out, after a few questions, they got the way out, and nobody is following the story so the whole thing was, it was a crazy deal. But every single person that was there, Tokyo news, German news, they went to the banquet hall at the hotel where Exxon had this little command center, and in the doorway you would wait and then the guard would meet you and wait until they got whoever you wanted to see from Exxon. Iarossi [inaudible]. And everybody did no different then I did. You would standing here right in front of this huge chart, United Way-type chart, original quantity, amount

discharged, transferred today, hurray, you know. The whole deal was, will the ship capsize with all of this oil, what's lost is nothing compared to what is still in the ship and we got to get it out. [A lot of barrels there?]. Now you tell me, if you break this thing, not you, but if we break this, you know,

MR. BLACK: Yeah.

MR. HAMEL: Six months, no; three months, now, why not, the whole thing was Exxon and Yost, just to keep, for their own purposes, and many reasons, lied about the numbers. How do we prove it? Okay-

MR. BLACK: As they say in the Wendy's commercials, where is the beef?

MR. HAMEL: Okay, that is where, I got, I've always been a one-armed paper-hanger doing too many things at one time and right now, as I said, I got to get the shipment or the crud back up there, it is timely now, I got to do that.

MR. BLACK: Okay.

MR. HAMEL: So I told all my people, including the captain, I saw him the other day, that I'm going to get at that but I need a few weeks, I got to get rid of this one thing. He wants a lawyer, instead of doing this - there is nothing I can do, if lawyers take over, okay, on this thing. Ah, the captain that I saw, the Exxon captain, I tell him the story. I hardly tell him the story, and then outside aside from believing up to him... he said oh yeah, everybody in Exxon fleet knows about that, it is big money. Where is it coming from? He said, well, I can help you there. So I said, okay. Let's just do, I got to get my, I didn't want to approach the guy, you got a guy like that who is scared to see you, when you are talking to him, you know you want to keep him low.

MR. BLACK: I understand.

MR. HAMEL: So I made a deal with him, I says, here is what I am going to do. I may not succeed, but what he wants is he wants to clean up the operation at Exxon, without getting caught. For him and all the other guys. They want to have a safe ship, they don't have one now. They want better conditions, they don't have them now. They are not looking for extra pay or anything, they don't want to get paid for it, they don't want anything. So I said to him, if I could get him the task force that Miller's got, and if I could extend it to the ships, it is exactly what he would want. That 800 number, all of this, anybody from BP anybody could call in and this is what is wrong and all that stuff gets straightened out or at least get looked at and some of it gets straightened out, he couldn't be happier. So that is my deal

with him. I am going to accomplish that for him, or not, but I am going to try. That is all he wants.

MR. BLACK: Okay.

MR. HAMEL: And then when I told him that I had to do a little number on my crud being shipped out, so right away he said he thought he owed me one, he will make some phone calls [inaudible] you don't make any phone calls. Now, what he did do is he gave me some through Bill Coughlin, the reporter for the *Boston Globe*, the Maritime reporter, ah, he has a number of Exxon people talking to him. And he does like I do. One guy never knows the name of the other guy. I've never, ever, all my people, they think I got more people than anybody's got for all I know. None of them know who the other guy is. They joke that each one, they says, I want to [inaudible] I wonder if he is one of your people, or she is one of your people and I don't answer. They say we are not asking, but I just always wondered I don't even know who he is talking about, Coughlin does the same thing. Coughlin has talked to his people, and they all are saying, yeah, they know about the water. So the first boat that came there is the *Exxon New Orleans*? yeah, the *Exxon New Orleans*, the first one, you saw it in the movies and the T.V., she was coming to pick it up and she was discharging her ballast, you could see all the crud in the clean area, they always have, all the dirty ballast get in there, so she gets in, she loads up. And she gets the empty, I mean, the un-ruptured tanks, the wing tanks, empties some of those out, then takes some of the center tanks, they had to keep it balanced, so she takes some of the center tanks that had the ruptures, and she had a lot of water. Okay. A crewman, mate type on her set, the [bell type?], but they had so much water that they tried to get people to come in, Stalzer of Exxon, to take back the water, it is on the bottom of your boat. It was so slow in this operation, that it separates over six hours, so it is all in the bottom, so that is how you empty your tanks anyway, so it is very easy to drain all this water out of the boat back to the *Exxon Valdez*. She thought it was a pretty smart thing to do, why take all of this water. Oh, God no. We've already counted it as oil, [inaudible] people all over the news watching together, the count of all this oil and this thing says all about the oil that was transferred, how many gallons and whatnot, and all of a sudden a ship with I forgot how many million gallons back, so let's now get the hell out of here. It goes to Hawaii. This is the crewman, the officer, mate, whatever. On the way to Hawaii they start draining the water and they fill the slop tank with it. When that is full they drain the rest of the water to the segregated ballast, you know, the segregated ballast of the ship? It is like double -- a lot of the ships -- The double bottoms were not, in this case, it is segregated ballast, you

take sea water in, sea water out, there is no oil in it, you don't have to wait in the port to discharge.

MR. BLACK: Right, right

MR. HAMEL: As you are loading. So they dump it 9 point -- when they got to Hawaii, they dumped what they had into the refinery, which the guy said it was loaded with water, refinery is bitching, all this water we gave them, but we didn't give them the rest of what we were able to get into the segregated ballast was 9.2 million gallons, in the segregated ballast alone. Then when they headed back to Alaska, they have a way to flush out this stuff. They flushed out the segregated ballast back into their ballast water, dirty water, and then the flushing of the chemicals, they clean it all out. And when they got to Alyeska they gave it to Alyeska. The story is so good and so detailed, from the guy, that is great. But what I need, I'm like you, I want corroboration for everything, or I've got nothing. So I mentioned it to Coughlin and Coughlin said, I got the captain, *New Orleans* that made that run.

MR. BLACK: Oh God.

MR. HAMEL: One of my sources, and better than that, he quit Exxon. Since then, and he'll not only give you the data, but he says I'm sure [he will pop up for you?]. But he's still in the shipping business, so, you know, and I said, Bill, he can't, I mean, what other dangerous stuff \_\_\_\_\_ ships, people fall overboard every day, you know. For a dime, they throw somebody overboard. These guys play hardball, so, but the captain being able to give us his story: dynamite and, and, whether they come forward or not, I don't care. As long as I know from two people, and then the rest of the crew, there is a lot of things you can do, the pump man, the key guys would know what happens. So that is that one ship. So whatever the story is there, now I feel more comfortable 'cause the story was pretty good, now I got the captain .. I just haven't done anything, Coughlin gave it to him to do, gonna get a hold of the captain for me, okay, that's is one. The next one is in San Francisco. San Francisco, \_\_\_\_\_ was in San Francisco, or I forget where she went. I got it written up somewhere, I got the story on her crewmen again. May type. Who said to Ballantine that when they got there they go into the Chevron refinery and they stay at the Hook for two days, which doesn't make any sense at all, at anchor, I mean, you don't keep crew [inaudible] at all, [in waiting at anchor?], it always falls right in. So for whatever reason there was something wrong, the crewmen knew, they were waiting at anchor for two days. They gonna take her or not take her. They finally take her. They get into the Chevron refinery and they start unloading and they only unload so much then she gets kicked out of [inaudible] by Chevron. They got too much water--

The reason I like these kinds of stories is, some aspects of it, crewmen can't make up. Turns out that the Chevron refinery is under a notice of violation by EPA that their NPDES permit is being violated cause the system is just not able to handle the quantities [inaudible] that they been having, so now they can't have more than so much dirty ballast water, and dirty water, in their tanks at any time, and they have too much, and they are in violation, so get the hell out of here. Okay. Too much water in their tanks. So send them back to the Hook for two days. That is a good story, I [inaudible] to NPDES say, I never knew what NPDES was, meant nothing to me...

MR. BLACK: Yeah.

MR. HAMEL: So then when she gets out of the Hook, they bring in another boat alongside, they move on from her to a boat going to Alaska, all kinds of crazy things. Then she goes back to Alaska with seven times more ballast that she normally has before or after, so she has all this water, back there to Seattle, to Alyeska, dirty water. But it wasn't oil. Okay, I figure, well, I've got the numbers. How much. Now since then, the third one was the *Baytown*. The *Baytown* gets down and she ships back some of her stuff to a tanker that comes along, she can't get rid of everything, same way, so she is at the anchor, and then a ship going back to Alaska comes alongside and they transfer to this ship going to Alaska and bring it to Alyeska, takes a lot of water that was counted as oil. Now what I did also is, last week, I got a hold of Dan Lawn, and I said now Dan, go get me all the documentation you get on what the ships said that they had ROB, remaining on board, of ballast when they loaded, they could turn around and say, well we didn't empty all the water out..

MR. BLACK: Yeah.

[Ca. 20 minutes into recording at this point]

MR. HAMEL: [one sentence inaudible] Well, it turns out they found some numbers for me which were pretty interesting because they had, uh, they said that they didn't want to get down to the dirty water. So when each tank got down so far and they stopped transferring and left that on board. Well, who knows if they made it up or what, but anyway, I wanted to know what at least what the documentation showed, so we got that. But what I am finding out is, everybody who was on the *Exxon Valdez* and these three tankers all are aware that a lot of what was transferred was water, that the water level underneath was very high, and - So then I start asking, where did they get their number? It turns out they got their number as a 10.3 that became 10.8, from

Caleb Brett. Caleb Brett is an international surveyor. Out of England. You know when the old days of shipping days, you had to have some surveyors all over the world for cargo, for the manifest [inaudible] cheated and right weights, and all that kind of stuff, that is their expertise. They are all over the place. They are in Alaska. Well, Caleb Brett is the one who screwed me about water in the oil. I mean, I know them well, and I know how they cheat, because they get paid, they get paid to measure. Well, the outfit says, this is what I want you to measure as my own ship as to me, that is what I want to measure, I own the terminal, so whatever they want they get, and, you know, I got that from, I just knew that I was getting screwed by Caleb Brett so I got some people [showed?] me how they did it. Well, Caleb Brett was brought on board to measure, well, they get paid by Exxon, I mean they get paid this week by Exxon, they get paid next week by Exxon, so the Caleb Brett guy, when he measures, he's not an expert for a casualty at sea, he's a \_\_\_\_\_ – he's at the tank farm, you know, he measures the tank, and measure the ship, so how to measure and calibrate how much water is out there – I mean, I don't know how he did it, but he is getting paid so I really don't care, all I know is what bothers me is, is it just this much more or, what everybody says, double. If it is double, then I think we got something by the, by the balls because if it is just a little bit more, so what, but if it is double I think Lawrence Rawls and half his board goes down the tubes, because how could the board not know it? Rawls has to tell some of his people.

**MR. BLACK:** How can you -- The point is, how can you develop, and which ones do you pick as your priority on all of these issues that you have going on.

**MR. HAMEL:** Okay, here is what I do. The *Exxon Valdez* quantity is over here and I get out that, weeks from now when I got free time. I have already got Coughlin digging up the guys, and I did well on a two-day trip as it was, so that is sort of a gut one for me I am not going to let that one go away, it is just, I spent a little time at it and I know it is real, the problem is, how bad, and when the time c--, weeks ahead I'll, Coughlin's gonna make some phone calls, and the same guys I am going to be seeing on this crud going to Alaska, he set me up with some guys to see, on the crud that's going to Alaska, where they transfer the cargo. So while I am seeing them on that I'll ask about the water in the open, that is not priority yet. The crud in Alaska is urgent because the modification is sitting there, it's just a beautiful little vehicle, to use; once the modification is canceled or implemented, it is a little late, then you get to court, well, they did something, well, let's get it changed, but it's being considered right now and I've got a comment in front of him, and Riki Ott's got a comment on behalf of a whole bunch of environmental groups so it is the time to go in and do that one. Now I like the idea that I

had a sixty-day notice in there so you didn't have to wait sixty days, what the hell is the difference -- just give the sixty day notice and go to court, whatever, we are going to talk about later [inaudible]. The experts could figure all of this out. All my time right now I want to spent on the crud going to Alaska.

MR. BLACK: I understand.

MR. HAMEL: Because it is very visible, very bad, and Exxon, again, is caught in the middle of this and it is front page.

MR. BLACK: Well, let's, as soon as we can, get some horsepower on that, put it in here and see what we have. At least we can use this and collate it.

MR. HAMEL: Well, this one is so simple, you just put the documents in the newspaper stories. You guys will have no trouble at all.

MR. BLACK: I mean, they have the backup on it, ah.

MR. HAMEL: What do you want, uh, How are you going to do the -- the -- this pile of crap that I got from -- from the Legal Division of Alyeska?

MR. BLACK: We can zoom it right in there, same time, give you back the only copies.

MR. HAMEL: And who is the zoomer?

MR. BLACK: My computer guy, or me, or you.

MR. HAMEL: Okay, no problem. [inaudible] He'll have an ASCII file.

MR. BLACK: Yeah, I guess; you'll have to ask him that tomorrow. We will zoom it right in there, give you back the hardcopies, if you want, or we will put a lock on the file cabinet, whatever you want, whatever you think is safe.

MR. HAMEL: I want to take that -- I want to make sure that each one got this, I cut the confidential lawyer-client thing off each one of them.

MR. BLACK: Okay.

MR. HAMEL: Each page got that kind of crap.

MR. BLACK: Yeah. Well, that's all right.

MR. HAMEL: [ca. 2 seconds inaudible] When you get it... that's [got to be?] taken off.

MR. BLACK: The point is you need the data. We are not going to take a photo of the thing like what you did. We are using the data. So the lawyer-client thing, if we don't OCR it, it is not going to --

MR. HAMEL: -- like cutting it off every page, [one second inaudible] then for me to give you something you shouldn't have, if I cut it off, you can have it.

Uh, and, uh, I don't know what else I've got of that legal stuff.

MR. BLACK: Well, we will put in the legal stuff, what about all your other stuff, want to use that?

MR. HAMEL: My other stuff is not in any kind of --

MR. BLACK: And this is for you, not for --

MR. HAMEL: [Inaudible] don't even worry about for me right now.

MR. BLACK: Okay.

MR. HAMEL: Right now -- My other stuff would be where the oil companies have been lying and cheating, well, I got something I don't know what to do with, that the [Mer?] wants and doesn't know what the, seem to do with it either. You have read and heard about the corrosion in the pipeline. It is a bad one.

MR. BLACK: You told me about that.

MR. HAMEL: Just that the state has filed suit and everything else and the Energy Department then goes all up in arms and I had the data on it, it has just been sitting in all my records, so what, but nobody cared until this *Valdez* incident. Well, ah, picture the pipeline, is belowground, most of the places in the permafrost and it is aboveground in probably about 400 miles of it. And all of these [little?] vertical supports, I think I have told you about the vertical supports that are holding it up. They had a problem with them for the first day. They think it is the Northern Lights somehow affects them. It is a gas in the vertical support holding the pipe, the pipe's on the saddle so it just slides back and forth, but it can't go up and down. So if there is an earthquake, it can move. You got the two vertical supports and everywhere the permafrost, you know, the permafrost is only 13 inches deep; in the summertime it melts 13 inches --

MR. BLACK: Yeah, yeah, I have heard.

MR. HAMEL: ... and the rest is ice and dirt and in the wintertime is frozen. So they sink this down into the permafrost to hold up the pipe, you know it is 15 - 20 feet all the way down I don't know what it is now - lo, okay. So down below you have some kind of a gadget where, as the heat from the pipe and the support starts heating up the pipe, it would sink, and it's ice. So they got inside of here ah, a liquid that absorbs the heat for the metal...

MR. BLACK: And it creates an exhaust.

MR. HAMEL: ... it creates a vapor that goes to the top. The vapor goes to the top and into this little radiator up there, [noise] [drain?] pipe, and cold air even in the summer time cools it off, it goes, just it lasts for ever. Minor problem: hydrogen gas is getting into it, they don't know how. Just gets into it. Now hydrogen gas takes up this space, the vapor doesn't get out, it is sinking. As it sinks, your pipe is out of alignment. You have a little earthquake and stress: [expressive noise]. You thought the *Exxon Valdez* was something, wait till you see this one.

MR. BLACK: Ah, you think that is going to help it.

MR. HAMEL: Well, here is what they did. It started happening early on, typical Alyeska, you know the guys are telling them what they are doing, what am I going to do with it, this stuff that keeps coming in to me, make phone calls all the time, the guy the same, you and I making a billion dollars a year and we got so much riding in this pipeline we bring in top experts in the world, trying to solve it; but they use their in-house [inaudible phrase re "engineers"], they have been kicked out of the company, they send them to Alyeska or you go out, so you got these geniuses that says, well I can fix that up, I'm an engineer. I don't know, all these engineers from Alyeska were trying things. They have it taken out of the ground, put a new one in, try to figure out what this is all about, meanwhile the pipe some place is getting really out of kilter. So, they use an airbag, huge airbag. They pump up the airbag and start lifting the pipe up, back up where it was, and there is an old ring around this vertical support that holds that saddle I told you about, the pipe. The support. So they unweld the old ring so it will slide. So they let the pipe sit where it is at 'cause lifting it up won't help it, sitting down at the new level, the old ring goes up lift, with the bag lifting it up, and they put the pipe back where it is supposed to be, weld it back again. They do that forever, but that's a hell ways to run the pipeline. It is going on for years. I've known about this for years, but I don't know what the hell to do with it, nobody to talk to on these things.

MR. BLACK: But sure the pipe is going to be sitting on top of the --

MR. HAMEL: Well, it is not that much, just inches, but some places a little more than the other. But the point, what is important for you to understand is that if you have a car problem and you are on a highway, you don't go try to fix it yourself, if you don't know anything about cars, so you may be driving, but you go get a good garage. But you don't go on the highway every time you stop at a good garage, check that out, before you go on the highway again. These guys keep playing this game, okay. Then they have their own ideas they think it is the Northern Lights and whatnot that's somehow doing it, so they have been finding ways to try to purge the thing out. Every engineer has had a shot at this. But you know how long it takes to have a shot at this in the wilderness is the cold weather and all that stuff, six months' project, six months' project? But the key for them, and this is what you're trying to get to, the key for these guys is show that you are trying, so if it blows up, it ain't your fault.

MR. BLACK: Do you have memos like that?

MR. HAMEL: No.

MR. BLACK: That would be a smoke.

MR. HAMEL: That came out of my lawyer Mason, was figuring out on my water in the oil, what they showed is they couldn't find where the water was coming from. Oil companies, eight of the biggest oil companies in the world could not figure out where the water was coming from. It kept trying to find it because it behooved them to let the water down the pipeline, they were putting him up above, but they showed meetings top officials come in the owners' committee, bring it up in the meeting. "Hire a new task force." Always task force, task force, task force, trying to figure out what is wrong. So therefore, you can survive. Something goes wrong, hey, you know we tried. We spent a lot of money in task forces [inaudible]. Well, that is what they do here, they don't want to spend the money cause they know when they face this thing, it is almost \$800 million, I think, to replace them all, 5 thousand each and I forget how many thousand of them there are. So as long as there is no earthquake and if you are lucky they can get by with it. So they say, you save \$800 million 10 years ago in interest, that is big bucks, so even if you have to spend it now, so what, you went that far with it, so this little spill happens and whatnot, and then you can go have it straighten out and go spend all of the money. That is the way to operate, that is the only way they can operate, in their mind. So now they finally with the *Exxon Valdez* they panicked, they said uh-oh, we got to, we can't afford something like this any more because Miller is making noise, everybody, so they hire the Battelle Labs to come and do something, maybe with the guy at, of the guy, he doesn't know he knows me but I got a friend of the guy, like everybody else he's out in the wilderness, this guy keeps

telling his friend everything he is doing. The guy that designed the special type of tool to get this damn system out so he could sell it to Battelle Labs that the engineer if they put another one in these five thousand dollar deals, just you, not lose the whole system someway it is sucking the whole piece of equipment out and carrying it out to run tests and that's what I've been hearing for years about this stupid engineers, everybody trying to figure out why the hell [don't?] they get somebody that really knows what they are doing here, correct the problem somehow. So I tell Miller about it, Miller and Patti Epler. Patti Epler asked Alyeska: said, no problem with vertical support metal, it was okay. Everything that is belowground is rusted, corrosion problem. Nothing aboveground. But they admit that they have some problems, but nothing serious. Miller asked the question of George Hermiller, the President of Alyeska, in the last hearing, just a few months ago, it was a set up, the guy. He wrote him a letter asking him a bunch of innocuous things that I had asked for and we agreed we wouldn't say anything about the vertical support [members?], just catch him cold turkey. He says, you have any corrosion problems with the vertical, with the aboveground, how about the vertical support members, ah, no, no, no, no problem, none at all. Now we have all problems with the shoe, they rust down below, but we can cope with that. Like any metal of shoe underneath the ground like that will rust a little bit. Okay, no problem, the system is fine. They were really well covered. Three pages of everything's fine, no corrosion problem at all. Under oath. But George, James Hermiller, the President, didn't answer the question; when he was asked, Petrich says his face just tensed. He says, I wished you could have seen it. I usually have my TV camera set up and I didn't, that day, the kid that was supposed to do it for me didn't show up so I just didn't do it; he said, I wish you had it on film \_\_\_\_\_ you could see the way he was casually having a good time and all, [several words inaudible], what were you asking for, and this came out of the blue and he froze and he didn't answer. And this guy Rocky Williams, his Vice-President [to the right of him?] who is head of corrosion problems, he is an engineer, he said "may I answer that for him," Mr. Hermiller said, fine. Then he actually said we have problems with this little shoe, but we have no other corrosion problem or vertical support members or anything like that, I don't know what you are talking about. Well, about three weeks later, the *Insider*, the little newspaper, they announce that they have a little corrosion problem with the vertical support members and they are working with Battelle Labs, working 'cause that is what they are afraid off they haven't told their people, but they panicked. That is perjury. Under oath. But they didn't know it was coming, they panicked. Now, what do I do with it? You know, for Miller to go do something about it, how can he, and deal with the Justice Department, how serious is it, was it. Well, I happen to know what it is. So now, I see that they tell their people that Battelle Labs is

working on it, and they think they found a solution. I have to wait it out. I got a phone call. I left Boston two days ago where I had some midnight phone calls. Hey Chuck, guess what, Battelle Labs tests what they thought would work out, didn't work out. Battelle has screwed around, it's up in the air. They don't know what to do about it. Nobody has a solution. That was two days ago. But Miller is gone. He don't want to hear any lectures. Hey, wait a minute, I got to do something, so I am going to do this. I'll [tell you?], see what you think. I am going to -- I just got the mail today, every employee of Alaska, of Alyeska, getting their addresses, home addresses, and I go to write this group [inaudible] call myself and my guys. And we are going to say, you know, you be the judge. That Hermiller and the [two Williams?], they always boast on behalf of Alyeska and all of that stuff, and there is an article on our newspaper about how they appear before the committee and, fantastic, had no problems, every word perfect and they, you know, Congress was satisfied, it's a big mix-up shouldn't been up there in the first place: this is the way they handle things. So send that, which they all read. Send the one which they say they got a corrosion problem that I know about it, they can't solve it. And in between I give them the questions, the testimony, right out of the testimony, as printed, \_\_\_\_\_ the hearings, I have the hearings, not printed yet but I got the original transcript.

MR. BLACK:

Yeah.

MR. HAMEL:

Send the transcript. Then you say, did they tell the truth on our behalf, you be the judge. I am not saying they lied, you be the judge. And a lot of them know about this vertical support thing and just when they read it, [several words inaudible] and then they call the corrosion problem themselves three weeks later to their employees. These guys are so fucked up, I mean they just, they are always on the run. They are always, like a stage coach, with the robbers coming at them, and then someone else [inaudible], honest to God, these guys is that bad. So, you be the judge. I thought it would be fun. I got a whole series like that to start out. Just send it to them. They used to put out brochures against me, what the hell, it will be fun, and all the employees get a brochure about, you know, their side of the story against me. I mean every employee knows who I am. And all of them, I understand, are getting a little pissed off at the company, and now -- Oh, I forget to tell you what made me think of doing this. Alyeska is reorganizing. They are not changing their name like I thought they were. BP's going to take over, it's gonna be a BP Company on behalf of the other companies, well, gotten that far anyway, and that's a little victory. They are, and I have been hearing this for a long while, but they went ahead and fired the guy who was running all the task forces against me. Ivan

Henman. He is the Vice-President, used to be head of the terminal --

MR. BLACK: Who is he?

[ca. 40 minutes into recording at this point]

MR. HAMEL: Ivan Henman, yeah, he was head of the entire pipe line system and each one of these things that I brought up, they form a task force all the time, [several words audible], and he is chairman of all these task forces and he and the attorney here in town, Quinn O'Connell, together use to say to everybody, and I got the word, they can handle, they can contain Hamel, don't worry about it, they can contain him. They will get their permit and I will fall by the wayside sooner or later, don't worry about me, well, he has been fired. Two weeks ago. For what Hermiller did, he had closed circuit TV to the whole system and told everybody where he usually goes on the system, now it is something new he is using closed circuit TV, the whole system, everybody had to be there, in these auditoriums and all kind of stuff, and he told the reorganization, and everybody and his brother at the higher level got fired, all new people, all BP people, and switching people around, and for example the guys that screwed up the night of the *Exxon Valdez*, the terminal superintendent, remember the one who went back to sleep, his assistant went over and didn't send a crew out. Well, they've been -- You can't fire those guys, I mean, they need them for court. So the terminal superintendent suddenly became head of oil movements in Anchorage. They shoved him in an office, and he watched the digital computers saying how many barrels of oil move somewhere, just to keep busy. The guy who was a marine superintendent of the terminal who didn't send the guys out has been switched over, now he is in charge of the ships that are watching, the [service?] ships that are watching the tankers, and he's -- which is nothing, not the job he used to have, and no responsibilities, no nothing, where they are captains on these things that take care of themselves, I mean go there or go there, you know, and everybody else has been switched around, wheels. But they announced that every employee, he says, has to justify his job, because they used to run the whole pipeline for a 1/4 million, and now it is costing just short of a billion dollars a year. Since the *Exxon Valdez*, legal fees, all of their problems, almost a [billion?] dollars, so typical, they got to cut somewhere a little bit, so employees again, so everybody got their jobs got to be justified and by September 6th, they are going to be really reorganizing, where they have four supervisors there will be two, the two missing supervisors \_\_\_\_\_ become technicians again or out, already three are out, fired. Guys that have been with the..

MR. HAMEL: Laid off.

MR. BLACK: Well there are no layoffs, they never rehire anybody they laid off, or retired out. They never, never take back, so top guys are being supervisor guys, who have cheated and done all of their dirty work they wanted, are being let go, but every employee is pissed because they will begin to be short changed some more, harder with the marine department and the maintenance department for other parts of the terminal were separate and all of that stuff each to do their own thing, now guys who never went near the oily crap stuff have to air change. Everybody is unhappy. I hear, that they already know some of the jobs the assignments is going to be and everybody is pissed. That is a perfect time for me to start getting this out. Not that it's going to do much, but they react, they're the greatest reactors, trust me. Everything I have ever done with those guys, before I even go public, they react on me.

MR. BLACK: What are you going to do, it brings me to this point: what in the hell are you going to do -

MR. HAMEL: What am I going to do?

MR. BLACK: If they've settled with you in a month?

MR. HAMEL: They won't settle in a month.

MR. BLACK: What if they settle in six months? Who is going to jump in there and take your place if you are going to stop after they settle?

MR. HAMEL: Well, the task force is going to do a lot. And if the task force includes their ships, I think everything can be solved with it. But if I get the settlement, I kind of like what I am doing, \_\_\_\_\_ my wife says I thrive on it. I don't have to be doing things on the Alyeska Pipe line system and Prudhoe Bay, just like the stuff I have just tripped across in California. If I had not been where I had been, hell, you would have not known about it. Because it would have been one ear and out the other. I hear a lot of stuff in my life, I don't know what they hell it means. I mean, here I talk to these captains, they don't know what they were doing with Ron, but I did, because I lived in it, I know what caused it. So I will be so busy, I am as a business, I think I told you, I am trying to get into cleanup, of environmental cleanups, with the John Hancock Group.

MR. BLACK: Okay, but you are going to quit [pinging?] Alyeska, or Exxon, or whatever when they pay you?

F2R416383

MR. HAMEL: I will be out of the Alyeska picture when they pay me. But I hope that where I am going, I'm gonna hit them so hard that its going to be cleaned up anyway, but the rest of them, they're not getting any commitment from me I'm not going to do, do what I want to do. But just like this California stuff...

MR. BLACK: Speaking of ..

MR. HAMEL: I wouldn't get out of that.

MR. BLACK: Speaking of commitment, I have some spending money here, so we might as well start our relationship today.

MR. HAMEL: What do you guys do with -- How come you got cash?

MR. BLACK: It is just easier for different things. I could write you a check if you want, if you don't, if you hate cash, but that is real cash. That is real, that is two thousand dollars in real United States currency there.

MR. HAMEL: Yeah, I know that, but you guys don't operate with cash do you?

MR. BLACK: Well we have a checking account, like for expenses, and things like that we've got the cash. I do American Express for hotel bills.

MR. HAMEL: I can't touch this till I give you those documents.

MR. BLACK: Take it now and give me the documents tomorrow.

MR. HAMEL: Oh no. I will give you the documents today. And then we will work something. We will talk about this in checks or whatever.

MR. BLACK: So, you don't want --

MR. HAMEL: I want you to have those documents before the [engagement?] that comes --

MR. BLACK: Okay.

MR. HAMEL: Because I don't want it ever said that I sold the documents. I am not selling documents. Those documents, like I told you one night that I'd let you have them and I know when, I felt confident about who you guys were. But ah, --

MR. BLACK: Whatever you want to do, if you -- I mean, I wasn't giving it back to Alyeska. It is between us. If I give you this cash you will not be on our books. If I write you a check...

MR. HAMEL: No, well, I, ah, I have to be on the books.

MR. BLACK: It's up to you.

MR. HAMEL: I have to be on the books, ah, and now, initially, that I want to play with, what I would want is that all the money I spent to get the data, of all the people I hire to go get everything we need, that I'd love to have current.

MR. BLACK: Reimburse you? Yeah, just give me a ball park figure.

MR. HAMEL: No. They wouldn't spend a dime each time without my knowing what is going to be or why. [inaudible]

MR. BLACK: Then, you could give me a budget so I can cover it.

MR. HAMEL: None of that is going to be big stuff, it is just -- it just costs me, and I really haven't been doing a lot of it because it used to cost me a lot of money, [several words inaudible] not doing it any more.

MR. BLACK: But the bottom line is that I will be glad to write you a check. What -- you have -- You and I have spend a lot of time together and we are going to be spending a lot more time together hopefully. I want to help you with your stuff and this computer, but what you are helping me with those legal documents is incredible and I want to pay you for that time, maybe not for those documents but --

MR. HAMEL: Nothing to do with those documents. [several words inaudible] I got them for nothing, and you will have them for nothing.

MR. BLACK: Okay.

MR. HAMEL: I didn't pay for those. I pay for a lot of stuff I get, but I [inaudible] pay by stuff, in fact I have spent a fortune in going to get stuff and getting stuff done. But those documents I didn't even pay a cabfare \_\_\_\_\_. Somebody met me in Anchorage and just gave it to me.

MR. BLACK: Okay. I hear you.

MR. HAMEL: It's the funniest thing in the world, he gave them to me, he put them in my briefcase, I went back to my hotel and I see the two attorneys from Dickstein, Shapiro and the other law firm in San Diego, you know which one that was, and they were late at the airport to catch a plane and trying to flag a cab down and couldn't find one. So I went back to my car and I said how far and I'll give you a ride to the airport. And on the way to the airport, I wanted to tell them so bad that what I had, but I hadn't even read it all the stuff, you know. [several words inaudible] I got some stuff here, I got to talk to you guys a in a week or so, got new material, it's good

stuff, yeah, good stuff, I kept saying to myself, man, if they knew what I had they'd go bananas, but --

MR. BLACK: Yeah.

MR. HAMEL: -- it was so funny.

MR. BLACK: It is 4:20, you want to go think about getting cleaned up and having some dim-din?

MR. HAMEL: Yeah.

MR. BLACK: Okay.

MR. HAMEL: And you are going to hear from her, at all or what?

MR. BLACK: Yeah. [inaudible] Well, she is the only person that hasn't paged me, if she doesn't, that's her -- Yeah, take one of those. [laughter]

[Side 1 of enhanced audiotape ends at ca. 48 minutes; side 2 follows.]

MR. BLACK: Those are neat.

MR. HAMEL: "Treat the Earth Well". That is cute.

MR. BLACK: Yeah, the foundation purchased about 200 of these and we have been passing them out.

MR. HAMEL: Did ya.

MR. BLACK: Yeah. But take one of these, they're neat lapel pins,

MR. HAMEL: You can give one to Kathy tonight.

MR. BLACK: All right, I'll do it. You take that one, and I will take...

MR. HAMEL: Now, here is what you are going to have when I make my peace, if I ever make my peace with them and they pay me. What they are paying me for is not the environment. They are paying me for my water in the oil. That is all I want from them. And I've told them that they got to clean up their act. With this little gal named Riki Ott. I told Riki Ott --

MR. BLACK: You told me about her.

MR. HAMEL: And I am her, I don't know what you call it, but anyway, she doesn't breathe without calling me, doesn't do anything without calling me, and I go into great pains to get her in to the speaker circuit this

winter because she is dynamite, and Doug Baily, I want to get him on the speaker circuit this next year, and I already introduced him to the speakers' bureau here a couple of weeks ago and he's going to do a tape for them, \_\_\_\_\_. But Riki is all of fire, but she is all over the place. She needs direction, needs help, but she could be dynamite for you. Out in Alaska or whatnot. But somehow she couldn't handle the part that I am talking about, we'll just have to find somebody else to be receiving the phone calls and for Alyeska. I just think that once this task force is operating, it could be a whole year before it's operating, but once I hit them hard with the next few months with what I am doing and the task force gets operating, they can't get anywhere, they can't get Arctic National Wildlife Refuge [ANWR] without it, and I think they will shape up. But you guys want to do Alaska.

MR. BLACK: Sure. Hell, yeah. In fact I was just thinking, if you want we'll take over your 800 line when they settle with you, whatever you want to do. We'll make sure that something gets done with it, it gets referred to the right people.

MR. HAMEL: Well, the problem with these guys that call me is, it's a funny relationship. For example, some of them call me every night. You know. [several words inaudible] I know all about his family and, he would talk about everything. Probably he has no one else to talk to and he got me so, you develop that kind of a relationship, you know. But he, I can direct someone like him to somebody, but a lot of other people won't, they come from way back when I first started and they knew about me and they approached me, kids would knock on my door, a couple of people, used to go out of their way on vacation to come down and see me. But there is a void in Alaska and I think I identified it to you before, the environmental community won't do anything up there in this nature any more. They do NPDES stuff where they hit one oil company here and one oil company there, but they don't hit the group, because they are afraid of them.

MR. BLACK: Do you trust the EPA people?

MR. HAMEL: EPA? Ah, at the water quality division, zero.

MR. BLACK: Where is what's his name, Nye?

MR. HAMEL: Oh, Nye is the only guy I trust, and his -- Cooper, Hooper, his assistant. They are the only two I found that, I found one guy at DEC that I could trust -- [Clarence?]. But when they are crooked at EPA, I say crooked, I don't know -- they all want a job down the road with the industry or something. When the gal on the NPDES permit really clobbered me by saying that Alyeska was non-profit that she wasn't going to force the best available technology on them --

MR. BLACK: Right, you're tellin' me, that's ridiculous.

MR. HAMEL: Well, you tell me how people could --

MR. BLACK: That is ridiculous. You told me about that before, I was just wondering --

MR. HAMEL: Ray Nye is -- like that.

MR. BLACK: With you. Ray, you say is a good guy, though, in other words you trust him also as a friend as well as a --

MR. HAMEL: Oh yeah. And I trust him more he is trying to [several words inaudible]. Now when he was getting discouraged because they were sitting on it, I kept telling him relax, don't lose your job over it. [several words inaudible]

MR. BLACK: Are you able to help him with Alyeska?

MR. HAMEL: In his case, everything he got I gave him. I mean that is how he did his thing. Remember, I went to EPA in '85, and told them there was an air quality problem, and the head of EPA in Seattle kicked me out of the office, said it was none of my business, that everything is fine as far as they are concerned and I am crazy. Two years later, I took two years to get my data, it was slow in those days, I didn't know how to do all the stuff. It took me two years to get enough data and the vehicle and then what do you do with the data? And my vehicle was when Bennett Johnson held an ANWR hearing who was then a personal friend of mine, and they were [noise] go and I never did testify in person like I was supposed to, his staff pulled a fast one on me at the last minute. But I didn't care as long as I got the data in as part of the testimony, and Bennett was upset, you know, [Lowell?] Weicker said he would get me on if I wanted, but what I wanted to do was set the record and get Bennett to write the letter. When he wrote the letter, they put everything in motion. Now Ray Nye is sitting at the other end, and they go [beat?] him right away, he can't believe what I am saying, but he says he wasn't surprised; but having the letter from the Senate to his boss gave him -- and they said go find out -- and he could do what he wanted, he thought. And he found out he couldn't, when he started finding they wouldn't answer his questions, they weren't doing it right, and the state wasn't doing much about it, and whatnot, then he was getting perturbed and you know, so what, the boss says are there any dead people, anybody die from this yet, no shit. And so --

MR. BLACK: Jesus.

MR. HAMEL: Oh no. So then what he did, though, is he kept writing this stuff and let it get bottled up at his shop here in Washington, what had to be done and what -- he wrote up a 114, it's like a court order, answer questions, sign it. So the day, within a week of the *Exxon Valdez*, Ray Nye is looking for me in Washington, Kathy says that Valdez, they called me and they, Hey Chuck, you got a little victory here, I said, what's that? He says, our headquarters says get that 114 out today, the *Exxon Valdez*, they are scared of that, and they are scared of what is going to happen, so he says, but I can't get it out; I said "but why not?" "Chuck, it's so outdated, they've been sitting on it for six months. I got to rewrite the whole thing and run it back through everybody and it will take weeks, but they said, rush it rush it rush it," and they finally did, and it got out. So then when they didn't answer right for a long time and just drag down on the lawyers kept, when he finally got all of his answers, at least enough answers, he did issue the notice of violation, weeks ago, a couple of months ago. They called me, and said you should be the first to know, we are issuing a notice of violation, if it wasn't for you we wouldn't have any, you wanted one, Chuck, I wanted you to be, you know, this is yours. So he issued it and you know the rest of the story.

MR. BLACK: Is he going to give any opinion on what he thinks these turkeys are going to do about settling with you?

MR. HAMEL: [He had?] nothing to do with that. [inaudible] See, what they're settling with me on has nothing to do with the environment.

MR. BLACK: No, but just as a friend, does he think they are going to settle?

MR. HAMEL: He knows. He doesn't know anything about that.

MR. BLACK: Oh.

MR. HAMEL: But, what the people he deals with the lawyers, with the EPA stuff, there is nothing that, what's his name, ah, ah, what they settle on with me has nothing to do with the environment. It has to do with my water, they know [three words inaudible] that I am trying to prove that they cheated everything in my water in the oil problem. Now they are going to ask that I give them relief, stay out of Alaska, come up in a ferry boat maybe, but you know that, they are going to ask that I just stay out of their hair for a while and that is easy. Ah, for everything I am doing somebody else can do, I'll tell him no. Anybody else say I can't tell you how. What they would say is, if I am going to get into being deposed [several words inaudible], they sure would like to be around like something like that. I don't work for them so I don't care. They do that with a lot of people that they can make peace with. But what they are going to want is what I got and they can't have, and I am not going to give them back anything.

But when I agree to, you know, I'll stop pursuing them, and from their point of view, from what I'm told - I am not - what they find terrible is that I am pursuing them to the point of finding things that they just keep [looking?] under the rug, and what they going to want is that I stop looking under the rug. What is done is done, but stop looking under the rug, and every time that they say, every time I look under the rug I'm finding new stuff that they won't even know about because that is their system. Don't tell everybody everything, just do it. So, but there is so much else to do there. This country is so screwed up. The old guys - I heard the other day from an old guy I had dinner with who really knows the business. He said, if the oil industry for America were to set aside their reserves for the restoration that they have to do for the oil pollution, for the damaged chemicals [several words inaudible], they would all be bankrupt today. That is good to know. I know that's that bad. Every refinery in America has got this much oil and they are all oil wells underneath and they always let things leak in. It is cheaper to let them leak [than to?] deal with it. If - the word was out of ARCO that if the pipeline had shut down for 15 days, they would have to be talking to the bankruptcy judge. I don't believe "for 15 days," but anyway. The cash flows. ARCO's whole business is Alyeska, Alaska. They have no other oil. That's a big oil company here in California, you shut down that, somebody blow up that pipeline, and ARCO has no cash flow; it's like the Kuwaiti, you know the Kuwaiti that are in deep trouble right now. The Kuwaiti oil company they are sitting there, there is no government, they don't know who is who, but then they use 400 hundred thousand barrels a day through their system, in Europe, they got gas stations all over Europe, they got no oil.

MR. BLACK: I love it. That-a-way.

MR. HAMEL: But the oil companies, what I really am trying to tell you for a fact is, you start hitting those people hard and you are going to have their attention because they can't take bad publicity too long and when they really get nailed doing something wrong, the government, they get away with murder, with - [several words inaudible], the government, EPA, they gotta forget it, you know, we will negotiate, the Justice Department will work something out with you. Energy Department [we need?] the oil. You know, but they can't with you, and they can with a lot of environmental groups, because they have gotten to them. Every environmental group, got some oil company giving them some money somewhere, they are always being covered somewhere, and you are the new guy on the block. Until they figure [several words inaudible] figure you guys out and how to get to you, ah -

MR. BLACK: Well, that is the nice thing about setting up, the, uh, let me make sure I got the keys. (noise) Okay, we need to get, it is 4:35.

[ca. 15 seconds' inaudible conversation outside the office as the door is closed]

[Side 2 ends at ca. 12 minutes: conclusion of meeting at Ecolit office.]

**2672**

**F2R416392**

Exhibit 23, August 18, 1990: Black describes documents received from Hamel  
Prod. no.: Video, F2R400343; audio, F2R411216.

[15 seconds inaudible]

MR. BLACK: We just returned from Hamel's house, where he gave his \_\_\_\_\_ here on the tape very quickly. These are the attorney-client work product, privileged documents, that he told me about earlier. We're going to put these in the computer, but I wanted to go on the tape and tell you what they're about.

The first one is a document to Robert S. Warren regarding [REDACTED]. And this is a document that has an introduction and a table of contents. This is one of the documents I saw before, and it talks about various things. It starts out with a chronology of pertinent facts, and goes on and it cites theory and Alyeska [sic] law, and a brief discussion of various statutes, federal and state, and it's a total of 84 pages in length.

The second document is a memo that's marked privileged, attorney work-product, at the bottom of all of the pages, and it's dated June 29th also. It's to Robert S. Warren and Charles C. Ivie from Document Review Team, and it goes on, and it talks about [REDACTED].

It says that this memorandum is a working memorandum for internal use by Gibson, Dunn & Crutcher. It also has a table of contents and it talks about [REDACTED]. At the end, it has an exhibit [REDACTED].

The third document is dated May 26, 1989. It's on Alyeska stationery. It looks like it's to several lawyers from Alfred T. Smith, general counsel of Alyeska, and this is a -- it appears to be a group of documents that are lumped together.

Some of these documents are on Gibson, Dunn & Crutcher memo stationery, and they're citing cases. Here's a memo to Pamela A. Ray, Esquire, from Thomas M. Picone, and it's regarding [REDACTED], as most of them in these stacks are marked privileged and confidential, attorney work product.

This document is I don't know how many pages long, but it's -- this one is fairly thick, as you can see. And the last page of one of the memos attached in this packet is from Cheryl D. Justice with copies to Robert S. Warren, Charles Ivie, and Carlos Goodman.

The fourth batch -- and we haven't separated these yet. This is the

exact way we got them from Hamel, with the -- with the little clips, the fourth one is to Robert S. Warren from Thomas Picone regarding [REDACTED]. This is stamped confidential, and it's basically the same thing. It's a legal document. It quotes cases, quotes different laws, and it's internal, an internal document.

The next one is a memo to Robert S. Warren regarding [REDACTED], and this document is probably 62 pages long and it's also a legal, legal memoranda form.

The next one is marked attorney work product, privileged and confidential, and it's entitled [REDACTED]. And it says "Prepared for Alyeska Pipeline Service Company." And it talks about [REDACTED]. It has some diagrams and some drawings inside, and it is -- I don't know, approximately 30 pages in length.

The last document we obtained today is a memo to Robert S. Warren again, marked confidential, re [REDACTED]. \_\_\_\_\_ law again, \_\_\_\_\_ attorney type memo.

We're going to take these documents back to our hotel and copy the documents, and then tomorrow, when Hamel arrives for our meeting, we're going to be inputting these into the computer.

The time now is about 8:25 on the 18th. Okay.

[Pause]

Rick, you can shut it off, if you haven't already. We're just going to go back and copy them now.

[Pause]

[15 seconds inaudible before end of audio recording.]

2675

F2R416395

Exhibit 24. August 19, 1990: Meeting at Ecolit office

Prod. no.: Video, F2R400344; audio, F2R412123; orig. transcript, F2R412124-146; enhanced audio, F2R416171.

MR. HAMEL: Did you not put a filter in it?

MR. BLACK: No. This [purr coffee outlive?] ... put coffee all over the floor.

MR. HAMEL: Ah.....

MR. BLACK: Before I forget before he comes in there.

MR. HAMEL: Well, we got to talk about that too. This shit.

MR. BLACK: You mean ... met him yesterday

MR. HAMEL: How long can that do? Find out where we are at... got to be, uh comfortable. What time were you meeting Diane for brunch or what.

MR. BLACK: Hopefully whenever get done we get back we'll give her call, she felt terrible yesterday. Apparently they went out and did a little bit of rum, we'll call her when, she said, I'm not going to go I feel terrible. I said well, we'll call you first.

MR. HAMEL: Okay, no problem, cause I told Kathy to give her a call for where she is staying right here, so let's have brunch right around the corner from us, unless there is breakfast around here. We'll wait a while and see. Let me call Kathy and tell her what is going on.

MR. BLACK: Okay. Here you go. Just use the phone, dial 9.

MR. HAMEL: When is your flight?

MR. BLACK: I got a bunch of options. I am waiting on some calls to see if I have any meetings, need to dial 9 first. There you go.

[Phone ringing]

Answer: Hello, Charles Hamel & Associates.

MR. HAMEL: What are you working on the weekend? Associates. That is right you wouldn't be answering the phone. This is the private line that I was calling. I don't know whether Diane is going...

MR. BLACK: Too much rum.

MR. HAMEL: Too much rum with her friends last night. What, call O'Connelly and ask them what time they, how late their brunch runs and, well maybe we'll do that because, wait a minute. Wayne is leaving today so maybe he and I will just continue, we'll just go breakfast somewhere and skip the brunch, he and I will go eat somewhere and you won't have to get dressed, bye, bye, dear. That way, she won't have to get dressed.

MR. BLACK: Okay.

MR. HAMEL: And she is in the middle of all of her mudity. You ever hear David Lynch. Twin Peaks. The big T.V. series that is going on Twin Peaks. Rosselini, what's her name, ah, Ingrid Bergman's daughter.

MR. BLACK: Oh, yeah.

MR. HAMEL: Her movie is coming out. David Lynch the director. He is so famous all of a sudden. He did Dune, he did Elephant Man, and stuff like that, but I produced the first movie, real family to us. He says he is basically talked me into it. So his fame I share. *New York Times* is just every other page is about David so she was in her jimmies reading all that stuff and, she said, I'll have to get dressed, I want to keep reading while working in one. We are just going to have breakfast somewhere. Vern, hey Vern.

MR. BLACK: Hey Vern.

MR. JOHNSON: Yeah, I'll be right there.

MR. BLACK: Alright take your time. I want you to meet him anyway and ...

MR. HAMEL: Vern is up from Miami.

MR. BLACK: Yap.

MR. HAMEL: And he is the computer person. He is not the one I met. I met Fox.

MR. BLACK: Yap.

MR. HAMEL: You mean they work together, one is younger.

MR. BLACK: Fox is more of a thinking guy, how to kind of computer guy. and Vern is into the super details of the program and cuts ...

MR. HAMEL: The software part.

MR. BLACK: Yeah, I'll let him explain it to you, what he is doing. He is, I certainly hope he is better at computers than what he is at coffee, but, I asked him to make us some coffee and I walk in there and it is all over the floor.

MR. HAMEL: My eyes. I can't, personal system two - Oh yeah, PS/2.

MR. BLACK: Yeah.

MR. HAMEL: 386, that will move right along. It's my next set up is suppose to be a 386 [Contel?] talk me into with that color because of my age, ah, but still, not to do anything more than have a lot of memory put all of my stuff in. See I got a couple of few million dollars coming sometime in October, November at the latest from my Exxon property deal, from the part that I'm selling and of so I just don't spend any money until all this comes in, pay my taxes, and of, but what I am going to do is to get a person back in just to follow me around. Which I used to have that is what my courier use to do. He use to pick up after me all the time, file things...

MR. BLACK: Before she went on the dive trip.

MR. HAMEL: Yeah, before her husband ran off on her I didn't get to talk about that. She was built like you wouldn't believe, blonde, highly educated, languages, travel all over, just but she does love her husband, and they were in the same law firm. She graduated from I forget where, but he was some body's ace partner and she fell in love with him, got married, and she couldn't stay there because he was the partner and she was secretary for the company so, I didn't need anybody to be around all day long, I just didn't mind having to pay for a full day, but I just want them around when I need them. So for the secret of my business, I never had a staff. I've never had people. I've just had one person follow me and keep up with me. And I had a fax machine in each house and telex in each house, in each of our places, and my secretary would do in the house whatever, and it was great. She just loved the house and she just set up in the roof take her sun anyway she...

MR. JOHNSON: Hi, how are you doing?

MR. BLACK: This is Vern.

MR. HAMEL: How are you doing Vern?

MR. JOHNSON: Just fine. How about you?

MR. HAMEL: Just finishing a quick story. So when interviewing for a new person one moved away, so my wife had all these people run by me and she was interviewing for me she was down stairs and I was upstairs in another office we had at the time. And she, this first gal comes in, really a beauty, out of sight, everything about her it was just, you know, you'd want to run away with her so, so I interviewed her, I said can't have that in the house with my wife so going to Seattle a lot and what not. So ten days later we finally getting down to who we are going to hire so she says, well I think the best one is that name Sosa. I didn't know who the hell she was talking about. She gave me the .. I said that one? I didn't interview her. She said you didn't interview her, why not? You couldn't have that running around the house I know that. She says well that is the one. So they had to find her she was off somewhere on vacation, bring her back, re interview her, she thought I was crazy, but to have a house like I am, you live in a house, and the secretary is there all the time and my wife is not around you can't have a raving beauty like around that so that is why we ended on hiring her.

MR. BLACK: But your wife picked her.

MR. HAMEL: Well, I picked her because she had all the qualities that my wife wanted and she trust me and her. I am too old for the lady anyway but she turned out to be of all the secretaries that I have had in my life, she was the one that just understood me and picks everything up files it and puts it right where it belongs and is not around when I don't want her. Don't suggest I should do this or that. Most secretaries, why did you do this or why, that guy I don't like. Well I don't need that. Just want them to follow me around and to do what had to be done. And yet every once in a while, she would say, you know you really ought to consider, she would write in a little note, you know this, but I shouldn't say so but it is not a bad idea usually, but she saved up. So anyway I haven't been able to even consider having someone. Who the hell do you bring into my type of operation till you find another one like that. And I have not had time to look but come this summer I'll start up again I'll do whatever, I'll try to get a person like that who she even talked about coming back if I get a job for her ex-husband so .... He's cheap. I got to hire him put him somewhere and it is as long as I got her.

MR. BLACK: Yeah. Let me give Diane a call. Why don't you crank this thing up Vern for us so we --

MR. JOHNSON: Sure, sorry about the delay. I was trying to be hospitable and making a cup of coffee and I tried to make a pot of coffee and I

made several and most of them are on the floor so I had to play maid and clean all of this stuff.

MR. BLACK: I hope you can do this better than what you can make coffee.

MR. JOHNSON: No problem. This I can do.

MR. BLACK: You haven't seen these before, I brought these in today. These are some documents that we want to scan in there and do your thing and use the "read ware" and hopefully this week you can work with Ewell or Chuck's other guy.

MR. HAMEL: Ewell

MR. JOHNSON: That is some complicated software and I mean I read through the manuals and it looks pretty straight forward but it has got a lot of technical areas and when it comes to language I don't know what is used, semantics and I am going to need some assistance to get this really fine tuned.

MR. HAMEL: He has a tendency of wanting to tell you how it comes about unless you want to bury yourself when you get into it. But all the time you start with them, I will be briefed after each time to make sure that you are getting where you want to go and be able to accomplish..

MR. BLACK: One of the things that Chuck wanted us originally to do with that is that software is tell them, tell Ewell. How we can make it user-friendly for application for law firms and things like that. You know law firms are used to sitting down with Nexis and Lexis making a paralegal and they are used to seeing that kind of a screen. Like I am. He had Fox do this F1, F2, F3 thing for me. Without that without a path, I'd be lost. But I love it

MR. HAMEL: We got to rewinkle this stuff and that is what we want to do.  
[phone is used]

MR. HAMEL: I am going to have him come here.

MR. BLACK: Good.

MR. HAMEL: Because his phone over there, if he comes here he won't get his phone calls. Let me get...

MR. JOHNSON: This is a pretty straightforward process. It takes each document and reads it out. You will see an image of the document on here. And as part of the process it reviews the documents and spits out the text.

[inaudible]

MR. BLACK: How are you feeling?

DIANE: Fine. I feel good.

MR. BLACK: Yeah.

MR. JOHNSON: Sees what it can read. And then it produces errors, but it can't read something you have to go back through and pick out what it can't be read and put in the proper text. Hewlett-Packard -

MR. BLACK: I was afraid of that, I guess we'll have to blow it off for now in fact Chuck is here now and we are talking about computers and we'll wait until next time. All right. I am sorry you feel bad honey I will be there as soon as I can. Okay, bye-bye.

MR. HAMEL: This is same as ah, [inaudible] Palantir? the Calera. The Calera system is supposed to be pretty good for the Justice Department. I lot of people are beginning to use that I understand. In our system that we have is must be the outfit. First of all, first of all the reason we've got this because of the system, it is because we had multi languages, Russian, Arabic, what not.

MR. JOHNSON: Right.

MR. HAMEL: Now what do you in the case if one of those documents had the word confidential or something, how does that come out of there.

MR. JOHNSON: We'll find out in just a minute, it may or may not be able to determine what it is. Now according to the manual this product which is called Omni Page can read anything from I believe 6. to 72. pointer or 1/10 of an inch or up to 1 inch high.

MR. HAMEL: What do you do with handwriting?

MR. JOHNSON: With handwriting, cannot be interpreted. Some printing can.

MR. HAMEL: Then, how can you get that out of the way, you just use the mouse to erase it.

MR. JOHNSON: Oh, yeah, but it doesn't bring in handwriting, that is we're in Text Mode.

MR. HAMEL: Oh, perfect.

MR. JOHNSON: For the image. If we were to do an image mode....  
MR. HAMEL: That image you have just let it go.

MR. JOHNSON: That is just going through, showing you ....

MR. HAMEL: Oh I see they image in two text. Okay

MR. JOHNSON: It just brings up an image and reads what it can read. It has an image where we can actually scan the document and maintain its actual true form but that creates what we call Pift File [phonetic] and italic format, and essentially what that does is create a file that is a megabyte or more per sheet and that kind of stays on here right now

MR. BLACK: A megabyte per page.

MR. JOHNSON: Yes. One million bytes of information.

MR. BLACK: You know what that is...

MR. HAMEL: Yeah I know but I don't think that the Calera does that, the Calera keeps an image all the time. Ask Ken about this because the Calera what got us exited about the Calera when we asked the Justice Department people for a system, they were able to go to the image to get the handwriting and that kind of stuff at least see it and and know about it so if they wanted it they could sort of type it into the text. As I understood it anyway.

MR. JOHNSON: That doesn't mean we can't do this, it just simply means that the size of the files are restrictive at this point. We need to get a bigger drive for this thing so we can maintain. Some --

MR. HAMEL: Or you might get where it will take some what do call it-a- hookup

MR. BLACK: [inaudible]

MR. HAMEL: No, CUO is something is only in memory you can't deal with it.

MR. BLACK: A worm.

MR. HAMEL: A worm. A spider element. I'm out of my element. Ken... Ewell.

MR. BLACK: What we want to do, Vern, is I want to be able to recap these documents the thinking of the guy and they way the guy thinks to defend things. The confidential and all that other little superfluous document marks, I want to take off.

MR. HAMEL: For example down below I want to take off, I was just going to cut it out, but ...

MR. BLACK: Where it says privilege, work product.

MR. HAMEL: I'd like to take that out of each page in your system.

MR. BLACK: It's only on a few batches believe it or not.

MR. HAMEL: I took it off. Yeah

MR. BLACK: Oh you did. Okay, good.

MR. HAMEL: And I recopied some of it. Taking these from the beginning. No -- okay -- I -- took it off.

MR. BLACK: No there aren't that many any more, huh.

MR. HAMEL: Look in the bottom line.

MR. BLACK: Sure.

MR. JOHNSON: Sure, we can get that out.

MR. HAMEL: Cut them out of each one. Then...

MR. BLACK: I think we should take out the document control notes too. You see those T numbers at the top. Those are peculiar to Word Processing and things.

[inaudible - noise]

MR. HAMEL: It's telling you that this spot is having trouble with that.

MR. JOHNSON: No, this is only representative of what it sees on the page. It does that so you get an idea of whether or not you have the darkness too dark or too light. Because if it is too dark sometimes it will overlap characters, like an "a" and and "e" will get attached together if it is too light and a "d" may come out as a "c" or "l". So it just gives you some kind of a representative sample.

MR. HAMEL: You can fax this to the system right down to where ever the record --

MR. JOHNSON: If we had a modem we could do that.

MR. BLACK: I want to do that, Vern. I want to do that for a couple of reasons. We got the one in Miami that we use to do CompuServe and do that *New York Times* terminals for articles and that is really neat thing. But I want to put a modem in here I should have mentioned before, I asked Sherree to get one, but you ought to ask her.

MR. JOHNSON: We are going to have to check with the office people because I know these are digital phones we are going to have to have an analog phone circuit.

MR. BLACK: Okay, get a 9600 baud, the new kind. The quickest kind and then we can either --

MR. HAMEL: Send it computer to computer load or apparently from the computer to a fax.

MR. JOHNSON: The fax is a 1200 baud process, it is a slower process than it is data disk to data disk.

MR. HAMEL: Yeah, yeah, but you know when you are dealing with one of your attorneys and you got to send him something, he doesn't have this aspect of your system....

MR. JOHNSON: They could also get a fax board and drop a fax board in and then if you want to actually fax something you just out put across the fax board.

MR. BLACK: It is kind of strange, probably be better because of most law firms are networked in-house and they don't want to hear this stuff, and they are not that up on it. The thing that we can do also with your system is put a modem in your house and you can access --

MR. HAMEL: I don't need it, I got a modem in there. I took it out.

MR. JOHNSON: This is a slow and tedious process getting it in here but once is in here this is really looks like is going to be at a tremendous advantage.

MR. HAMEL: Sometimes with your lawyers it gets electronically, with, you're dealing with lawyers and he's got \_\_\_\_\_ and that kind of stuff.

MR. JOHNSON: Absolutely.

MR. HAMEL: Besides giving it to you, in disk form he'll give you the same thing he'll put it on the disk for you and you just slip it right in there.

MR. JOHNSON: Sure

MR. HAMEL: One thing that I we'll talk about when Henry gets back for what he is doing if I understand it correctly, for example, trustees for Alaska who have done an enormous amount of NPDES permits and some other outfits like that, if you just go into the courthouse get [inaudible] the file, if the trustees will give it to you they will give it to you on a floppy disk, if they won't give me no floppy disk they'll give me the file or you go in the courthouse and get selectively what you want, and everywhere that there is a NPDES permit the XYZ outfit that they been using all types of permanent [inaudible] because you can have it all in your system in a hurry.

MR. JOHNSON: Well this is all brand new to us. I mean we've never done, never done this stuff on computer before, so this is really a training session to find out what the most efficient way to handle this data is.

MR. HAMEL: He'll be very helpful to you if he is not I'll shoot him, cause I keep telling him, he likes this system, because he is a computer person, he invented the system, he designed the Toshiba laptop. He put in the computer system for OPEC. And ARAMCO. So his problem is, he is so computer-literate he can't understand why people like me can't memorize this stuff. I have a problem. I use to run a telex and I had to, I knew more about telexes that some of the mechanics as far as memorizing them, but at the same time, I'm passed that now, and I do other things my mind is cluttered and if I got to learn backslash this that backslash, why can't I just do that. Then I go about my business and I go on my trip like I did the other day and I came back exhausted, I came back exhausted to my computer I'll be damned if I am going to have to memorize, and I own the system. I never use it. I find it not friendly. He can't understand me and if anybody wants to see it work I do. Now computer people in Library of Congress that spend all day in the computer love it. They say there is nothing in the world like it. The CIA guys, the Drug Enforcement guys who do only computer and they are like you and they are being hired what they are going to play and do things with it, they love it. But that is not where the guy like Ken is going to walk into the office and if he's got to learn backslash stop matrix something or other backslash, he won't do it. And he is going to forget and he's going to go home that night you have a screwed up system like I use to do it. So what I want to do is while you all learn how to run the system, ah, knowing what you people do this. The window was like this and windows was like that, ah, we get a system he should show you over there, a system like this with a mouse, a battery powered mouse on it with Sony and Phillips and

we are doing the 20 volumes of military medicine for the government on a compact disk interactive and the doctors are able to study all kinds of books then play with this they find what they want there is the color of the skin, flesh, all that kind of stuff.

MR. JOHNSON: Wow, very nice.

MR. HAMEL: Everything that is in the manual is verbal. And the manual is still there and it is also in the laptop if you are in a war zone in the laptop you don't have much image cause it uses up so much space but it is really a great project. Moving slow like everything else, but slowly moving forward and we are the retrieval and until our retrieval system came in the picture they weren't going to do it all. Project, they didn't like every retriever system they had so far. This is so natural language that is so easy to use except it has like everything else it has a draw back one of them is that it keeps giving you information, it finds relationships that even you and I don't find. Sometimes is that not bad that it gives you a clue to something knew which I had fun using but for people who don't understand that, then why isn't giving the exact information and nothing else, but the army people said I'd rather have more information than what I got now, I have something, its very good at misspelling things for example, very forgiving, well the system that is out there is now you either have the exact or nothing. We have that too, but then with outpost it's nearby you make a few mistakes in spelling and so what. And it just gives you other things you put who was it -- government guy -- put in gobbedly gobbedly goop -- an attorney they found the relationship with this huge text in the Congressional Record. In the Congressional, so I guess Record's [inaudible] what the machine found, it had a low score but there was a relationship [inaudible] with some of the letters but garbage in garbage out. So you are going to be here until when?

MR. JOHNSON: Well, probably another week. I have my main purpose is being upheld is to train Sherree, the girl who is going to run the office here so that she knows how to do this cause this is rather technical software and I don't understand it that well myself, I spent most of my life learning how to think logically and now they want me to think intuitively and I am having a trouble with the transitions. I am trying to ask these questions so that the machine understands what I am asking about. It looks very very nice.

MR. BLACK: It is just going to be what we really need to do what we are doing so we can get it cranking.

MR. HAMEL: Well, you get him in here tomorrow morning, I don't --

MR. BLACK: I mean this concept of scanning them in there is light-years ahead of what most law firms are doing anyway. With depos and things like that.

MR. HAMEL: I'm just saying, Wayne, for example, when you get the NPDES permits, you do one of two things: either you go into court and get copies of what you are looking for though, motions that interest you.

MR. BLACK: Can I mark on here.

MR. HAMEL: No. That is the only copy we got.

MR. BLACK: Yeah.

MR. JOHNSON: I just want to make sure that I had some way to ..

MR. BLACK: Why don't you put a, just put them over and put a mark on the back. How about that?

MR. JOHNSON: Yeah, can I do that.

MR. HAMEL: Yeah.

MR. JOHNSON: Cause I want to make sure that they don't copy them twice. There is a lot of people here.

MR. BLACK: Go ahead what were you saying about -

MR. HAMEL: That what you can do is people like trustees and others in Alaska [Trustees for Alaska?] have done a lot of that either they would cooperate and give you their files and then you could pick what you want, or you go into the court house and get copies of those parts that you want, but if they would give you their files, they would already have it electronic, they use IBM whatever, just put all that in and depending on what you are looking for, how, I think the oil company use the same lawyers, all the time, that kind of stuff.

MR. BLACK: They do and what is more important is that they use the same expert witnesses. And that is what we want to put in there. We want to be able to overlay, Vern tells me we can do this somehow. He can tell you the technical part but I want, the thing you are talking about, I want to be able to overlay what witness John Doe said in July of - eighty-eight.

MR. HAMEL: Now there is an example of ReadWare. That is where your expert is going to sit and try to determine what they are up to.

MR. BLACK: That is why John Fox went nuts when we were up there. He said, "just what we need. He went crazy and" -- Then he told you about that.

MR. HAMEL: Even for misspelling and the words he may be one day using the word this way but he used a synonym and next time might be not on purpose, as human beings, rewriting it doesn't want to be saying the same stuff all the times, that is probably rewrite a little bit.

MR. BLACK: I can't tell you how impressive it is when you blow those up. You know we put those on poster boards, we send them someplace and put them on the depos on poster boards, and in front of a jury in front or in front of the guy say, "What do you think, what if somebody told you...." and they will say, "No, that is wrong". Oh really, here is a poster board of your testimony last year. That is devastating.

MR. HAMEL: There are not that many around neither, are there? I mean once we get started on this you will start --

MR. BLACK: That is why ReadWare is so important to us, it really can help, make the windows or whatever more friendly.

MR. HAMEL: Ken will be in here, give him a call, he'll come and then what you want to do is show Ken a session when you are working with Sherree and Ken should be here and see how you are both going about it and then he could say you could do this, do that. The only problem is that you see him ahead of time, he'll tell you all that part about how we found it, et cetera, and how the system works inside with Sherree would go bananas if she had it here.

MR. BLACK: She just needs to think the mechanically. She cannot be thinking about....

MR. HAMEL: What is the stem of the word.

MR. BLACK: What we are going to do with her is. He is going to teach her the mechanics of putting in depos and things like that. So she is going to load up basically. He and I are going to do the thinking part, pretty much. So we are just going to have her answer the phones, do the research, bring the data in and she is going to do things like there is the checkbook on the left, in green, she will do things like getting the witness list together make sure that they have hotel reservations for the different cases. That is what she is going to do. And we will change that every week.

MR. HAMEL: You know who would be helpful to you early on... with the ah, when you start comparing. Hire Ken on an hourly basis, sometime to sit down and tell him what you are trying to find and in almost set up the computer program...

MR. JOHNSON: Well, between these two guys....

MR. BLACK: When Ken understands where you are going, what you want. He can put together a computer program that as you put stuff in you can ask questions on the weekend and let it this run all weekend. And it will just set up answers all weekend long for massive amounts of ... these guys were giving testimonies 10 times, it will just give and every time he gives a new testimony you shove that in there and the computer and it will compile right away and have those questions in there, and start over again. Wait til they do it this time. These are easy little programs that you could just add on there. When he understands what you are trying to find, he spends all day long to try to find something wrong with the system, so you are always taking text and trying to find how it comes down. I understand better what you are trying, ... there aren't that many, ... The reason is a friend of mine that is a witness, an oil field witness, in oil field matters, and he is a good friend of mine, I love him dearly and he's my expert. Only for my lawyer to understand what the appraiser, experts are doing with Exxon and us and I just felt these are good in between, but I know love him dearly and all the rest of them, he got to be, he is for hire, so he is got to, you know where is your problem he got to make the problem work out so you forget certain things in the back of your mind and you remember this in this instance and you forget that and you get this and I got this picture what you are talking about cause I lived through it, ha, ha, ha..... Then, what you are forced him to do is get new experts. When you win a couple of cases I'll wait.

MR. JOHNSON: What I am doing now is I am scanning this document and what is looking for now is the things that it did not understand, for instance, here I know that these now are quotation marks, you see like quotation, ... end quote. It finds these things and marks them. I also found another error where instead of Extend it put it in as Estend.

MR. HAMEL: So that was telling us that it was a spelling error.

MR. JOHNSON: So see these things once they are scanned, it doesn't make the document perfect, we have to go back there and correct for all of the mistakes that it found and then we can transfer it to -

MR. HAMEL: You see that is important for lot of the systems where a misspelled word is a disaster. Where as in our case it makes no difference.

MR. JOHNSON: That is if it has enough of the word in order to make it barely correct -

MR. HAMEL: Express, it will come out somewhere

MR. JOHNSON: This word "Memorandum" came out as "Merqdu-

MR. HAMEL: Sure, it is reading the underline. Yeah.

MR. JOHNSON: So it did not spell the word even close enough for the -

MR. HAMEL: All this part I am familiar with cause we have this system too.

MR. JOHNSON: So having to go through and change all of these things.

MR. HAMEL: You won't have to a lot of these you won't have to -- save a lot of effort now in a case like "Memorandum" what do you do there? Do you just erase what is there and type in yourself or what? If you wanted to keep it.

MR. JOHNSON: Yeah, like for instance I took off the "Confidential" here, just go through it and cut it out.

MR. HAMEL: Where? Is that PageMaker?

MR. JOHNSON: What, this, No. This is OmniPage.

MR. HAMEL: See someone else in this typing here all the "N"s are coming out as .... that's a problem.

MR. JOHNSON: Right.

MR. HAMEL: That will happen, Vern when the documents are photocopied a lot, I understand. If it was photocopied, the original had a bend in it, folded, when it has been recopied, somehow, .....

MR. JOHNSON: Undertane, Undertaking, that has got to be. Even where no duty was unwanted, .....it is probably generally I'm ware ... [inaudible] Here is the word, that was the original word that I didn't think it was.....

MR. HAMEL: Here is right here.... undertake

MR. JOHNSON: Yeah, right. I know why this is, you see this is in bolded print. So it copied it too dark and it could not read that .... couldn't read the character

MR. HAMEL: What.... does it show what page is on?

MR. JOHNSON: No.

MR. HAMEL: Back up there because you had another one.

MR. JOHNSON: Or maybe a page.

MR. HAMEL: Four. Back up to page three... Where you were and then undertaken, can you come back to that?

MR. JOHNSON: What page. No, this is just moving forward.. Just a second here..... Here we go.

MR. HAMEL: Next, next. It does give you the page. You got it there.

MR. JOHNSON: On page four, this.... page four

MR. HAMEL: What time is your flight... gonna be?

MR. BLACK: I got two options I got the four and the seven. I talked to you when you guys were talking, I talked to Diane and she just feels terrible, so we might take the four.

MR. HAMEL: Four and get her out of here.

MR. BLACK: I told her, I you know, you got to laugh at someone with a hangover, but they can't take a joke.

MR. HAMEL: That is doing a lot, for example, I think Ken maybe be able to do it. Set you up with a program. All of the quotations will become quotations so that you don't have to do it by hand. Your big problem is going to be when you get other people's copies that have been worn.... a little worn I've noticed that... some of the worn stuff in the newspapers, it is very hard to deal with because the print runs into each other...

MR. JOHNSON: Well, this is a little time consuming but it nevertheless provides us with a way to correct any errors it or ...finds.

MR. HAMEL: All the systems have the same problem, but as you start working different areas, you see the same problem coming up so that new programs can be made for it. Like a spell check or... See that....

MR. JOHNSON: That is not a, 2, and it is underline. It is going to be a 2.

MR. HAMEL: Well, some of these attorney's underline everything. How did that consideration come out. In small print it came out alright didn't it? It's in the uppercase ... it

MR. JOHNSON: Well, I don't know until I get back and check it ... it finds these errors, the ones where it marks the, actually marks the error. It may have read this as something else. See that is something that I can't insert, the statute symbol.

MR. HAMEL: Where are you now in your text?

MR. JOHNSON: Page five. I want to ... find it. .... I.D., so this is ...

MR. HAMEL: That was underlined too probably. Some of the your briefs have the numbers on the side, that helps a lot in this kind of....

MR. JOHNSON: There is that 2 with the underline again.... you see it missed this here. That should be AGE.

MR. HAMEL: And spell check didn't get that hah?

MR. JOHNSON: I wonder if it sees that..... well.... that's a one

MR. HAMEL: I understand this, what are you going to do next then?

MR. JOHNSON: Well, we're are going to take this and move it over to ReadWare and have ReadWare analyze it.

MR. HAMEL: That part I understand all of that part. So what am I doing?

MR. JOHNSON: What are we going to do with this?

MR. HAMEL: I know what you are going to do it, yeah, I understand all this, cause I have a system..

MR. JOHNSON: Yeah, I just want to you ... be him in case I am not here and you need something out of there.

MR. HAMEL: Because I think that I can dove tail with you when you go from here to there and get him over here before you leave town and as many times as you have my kind of a problem, go over and ... it to with him. Pardon?

MR. BLACK: How do we call him? I forget, I don't have his card.

MR. HAMEL: Oh, 337-2013, and ...

MR. BLACK: Ewell.

MR. HAMEL: And I don't carry his home number in my mind. Because we can call him at home. And set this up.

MR. BLACK: Help yourself, dial 9 first.

MR. JOHNSON: That will be perfect.

[Phone being dialed]

MR. HAMEL: What do you usually have for breakfast?

MR. BLACK: Not much... I'm just

MR. HAMEL: ....Ken Ewell In Washington, D.C., Ken E-w-e-l-l. please. Right. In D.C.? Uh. Okay. Thank you. Anyway. When, call the office. .... he's there so much

MR. BLACK: Nine.

[Phone being dialed]

MR. EWELL: Hello?

MR. HAMEL: What the hell are you doing in the office? What are you doing in the office? Chuck. You were working. Oh, yeah, I am over here with Wayne Jenkins and his, Vern, his computer guru, Vern Johnson, his computer guru and they just put in a IBM 386 set up and reading documents into move own to ReadWare, and I told them that to give you a call, I thought I try you at home, so I said fine, let's call the office, so that you can set up a time with them so you can come over and work with them on this.... Yap.....Okay..... Oh, boy.....When do you want to do this, he is here in fact today, staying at a hotel here in Miami, here at the office working on, is this a good time today.... today, or tomorrow or what.... what ever is best for you. No problem, he is still putting stuff in....

MR. BLACK: He is going to be putting stuff in all week....

MR. HAMEL: He is going to be putting stuff in all week, so what he will do is call you during the week and when he got enough stuff in to have

you come over an evening and help with the rest. Alright. Okay, very good. Talk to you later. Tell Gloria it's not my fault you are there..... Okay..... Talk to you later, bye. [Hung up the phone] He is putting in a proposal with Mitsubishi, to the government has a 4 million dollar contract to try and understand algorithms in the area of documents, text search. We have the only patent in the world for that. And we know that it is very, if the defense department has got this sudden, this strange, what ever you want to call it, RFP, ... and oh they want four companies working on it. In other words they want to get other people to get what we are doing. So obviously most likely he can get one of the contracts and three others may get it and Mitsubishi is a cohort at this thing, and he is working a proposal and he is 18 hour day, so... his wife is p.o.ed at him for being at the office .... he can work with you evenings this week, or Thursday or Friday during the day, but until Thursday he is up to his ears during the day time. But he is around.

MR. JOHNSON: Whatever is convenient for him.

MR. HAMEL: Well, what you can, we want everything in, and you want, I think a good idea is to get Sherree and a little computer familiar with all of this and then you spend some time with Ken and whatever you want. By then you will have some problems with what you are doing.

MR. JOHNSON: Sure.

MR. HAMEL: You got my number too, we'll be talking during the week, when you are ready for him.... Ah, I could bring him over.

MR. BLACK: Okay, that is fine.

MR. JOHNSON: Yeah.

MR. BLACK: Basically, he and Foxx are going to be putting them in, Sherree is going to get the documents from me and from other sources and she is going to be putting them in and these guys are going to be taking them out for our specific use. They are going to be the problem solvers.

MR. HAMEL: Who is going to be looking for the relationships and all that kind of stuff.

MR. BLACK: These guys.

MR. HAMEL: OK, Are you a lawyer?

MR. JOHNSON: Who me? No, I have enough problem being a computer person.

MR. HAMEL: How do they know what they are looking for? You are going to give them the questions.

MR. BLACK: Yeah, oh yeah, ....

MR. HAMEL: So you guys aren't just going to be accessing yourselves without asking questions.

MR. BLACK: Yeah, I am going to be able to and in fact have you put in a put in a password in for Chuck, have you done that yet?

MR. HAMEL: I don't need one.

MR. JOHNSON: You don't want to.

MR. HAMEL: What you want to do though for that very purpose, that I just told you, you are going to run into some of your attorneys running network before you are going to say I love it, you do it ask this question, lot of good that does, the question, you get the answer but you don't know the follow up. That is not your business, so what you are going to be saying is wait a minute, I'll make this so simple for you that Chuck will use it, meaning other guys like me, will say where they have, the way I see the great way of this system is when you got data that you want them to start playing with and you download into whatever you call into a laptop file and he is on a trip somewhere and the spirit moves him you made a so simple window that he can start comparing depositions to comparing stuff that he can do it the way you are doing it for windows here, ah, he is going to say, I don't have to be a genius and he will find some stuff that he'll go ask you next time. How can I say this stuff, is made easy enough without the backslash what you call it to save it, if he saves it all and he doesn't have to print it and gets back and gives to Sherree or who ever, and he says okay, I found all the stuff that we wanted print it.... print it. The next thing you know he will print it himself because it is easy enough to set this up and then don't forget to put in the gadget in here near the printer back in the office so that you can print it, Patrick [Petrich?] carries his own portable printer with him and only because he has become computer familiar. But a lot of guys until they get something good out of it, they'll never became familiar with it. And if you window it all the way so that the only thing we got to do, like I need, when I was in the office, my attorney's office in Anchorage one day, and I had spent all this time in a laptop drawing up putting all this stuff in but when I got there they have a different system but the printer was there, but takes a genius to disconnect and reconnect and finally I phoned

F2R416415

home and I was told .... everything I did, pull this and pull that put it in and print it. Don't ask me why, but.... I think when, since we have the same kind of relationship that you have, that if it starts doing whatever it is suppose to do for you, and you are able to get what you want out of it, that is something usable and it is simple enough, window system, then you guys will start using it too.

MR. BLACK:

What we want to be able to do don't forget is, we want to make it so user friendly, that they Sherrees and the Wayne Jenkins of the world can use it. But, and I use the First Choice in a couple of things, so I kind of understand saving some things, but we, what we want to end up selling and be able to bill for is sustain this thing that can turn it into something where we can get some operating capital where we projected two years without. It looks like we are going to be there quicker and so everybody is happy about that. The money people are happy about that. We want to be able to bill for our research time and come up with this incredible how your people are doing that - not the.... yeah, yeah, so we are going to help Ken make it more user friendly to sell it but the data, this massive, bunch of data, we are going to hold that close, and we are going to be able to sell it to people and give it to people.

MR. BLACK:

You know what you are to do while you are here.... His assistant Rich, Ken's assistant. Well, now I didn't go on that trip. He went out to see what the ah, legislative, I don't know the name of it, legislate or something here in Chantilly, the president of Calera told me to say, what you're doing we don't need this outfit out there, that already does what you are doing and so on. So I told the Justice Department. Apparently what you and I were trying to do they do it for your, go out and see. I didn't bother going out. The head of the Justice Department, litigation support guy calls me back and say, they don't have what you got, what they have is what you are doing. An automatic scale, huge 30 machines and employees that's all they do is \_\_\_\_\_ there and do corrections, then they send it back, these are law firms all over the country that use this, comes in, they right near Dulles on purpose, because they are Federal Express from airport to airport that pick up their own little packages run it through, next morning is on the way back to the law firm all scanned in. But, and cleaned up. But then they have their own little various ReadWares or whatever they are in the market attached to it, index, I'm sorry they index it for you. But what they have done is they have indexed all the mistakes too and the hyphenated words all indexed and I don't know what else they do, so on scanned material, the Justice Department says no one has what we have, and that is fine, for scanning and doing whatever you guys do, for your kind of

operation just do it yourself I guess cause you know what you are doing, and actually some of your stuff that you will be running, they are doing for the attorneys their chasing around anyway. But you ought to go out and see them anyway. Just to see what they are doing and how they are doing it as a customer. Because if they are doing something for all of these guys that you are chasing, I talked to Rich about that and you are just make one appointment and you just say you heard about them and you just want to see what they have and that you get a lot of materials you want scanned in. See what they say. It would just be an education for you to see this thing. I haven't been out there but they make a lot of your system. Because but Rich has been out there and I don't know what he gained by it but as long as he is here in New York and this kind of thing they may be a given day that you haven't got time to scan it and you got a case that is alive and you are in a hurry you send to them they give it back, then the like Justice Department is getting their own like you are and the heck with them, and you readware it and see and what your competition is doing. And this is all over the country.

MR. BLACK: Yeah.

MR. HAMEL: And this is all over the country. There is another guy where I spent some time with, he's got filipinos in the Philippines. Who are college graduates who have perfect English, they are all this stuff that instead of using in the scanners, he air freights the stuff to them, by Philippine Airlines out of L.A. every night and these Filipinos come everyday and they type everything they, all these sheets are typed verbatim into the computer.

MR. BLACK: These are the computer...

MR. HAMEL: There are some space in this but still. As any time you can [inaudible] they have no way of, they use, spell checks and stuff like that to catch their errors, they ship the stuff back the next day. So everybody is doing a lot of this into the computer, but then they are stuck with it when they get it and what you want to know is what are the other people doing, so you definitely should go out to Chantilly as a customer and let them be selling you on it. Cause one day you might use them for a time, but otherwise you would know what the other guys are getting in the systems they are using and what they are getting an index system and the guys at the Justice Department are surprised they came back and says, don't bother going out, it doesn't have what you want. I thought they were a step ahead of us or something. They said not at all. But you should go out and see them.

MR. JOHNSON: I'll do that.

MR. HAMEL: You got a car? You got a rental car here.

MR. JOHNSON: Yes.

MR. BLACK: That is great.

MR. HAMEL: It's right out there near the Dulles Airport, they are easy to get to down on 66. Rich should go with you but I don't think he should have to - I think you should just go out there as a customer.

MR. JOHNSON: Sure see their operation and see if they are doing something we can do.

MR. HAMEL: In a given day you might want them for something.

MR. BLACK: You know what we need. He is totally familiar with what we want to do the [inaudible] why we are doing this and this is his responsibility and what Fox's responsibility and see what he does.

MR. HAMEL: Make a note, where are you staying at?

MR. JOHNSON: Over at the Marriott.

MR. HAMEL: Make a note. I am at 549-0515. If I am not there I got a lousy answering service that takes forever to answer but, and ah, my wife's name is Kathy. We are right over here in Old town.

MR. JOHNSON: Okay.

MR. HAMEL: And, any kind of problem with just whistle while you are here. While you are here.

MR. JOHNSON: Rich? Is in the same office as Ken.

MR. HAMEL: Yes his name is Rich Hyams. H-Y-A-M-S.

MR. JOHNSON: So I could give him a call....

MR. HAMEL: Rich, when Ken is not there and Rich is out doing some other work these days and he is in and out of the office, ah, they Rich is the, he understands the system and the fine things and that kind of stuff, so when Ken is out he is pretty good. Ken is the inventor and our other guy out in L.A. The California ... is the dreamer who dreamed it all up. So what, ah, what has happened to them, these things is like a new transmission in a Mazda. I'll get a Mazda but the old transmission that everybody else learned about and find out about the interior thing, they [inaudible]

guarantee is good and that is what is happening here a lot. For what Ken's got. He didn't window it in my opinion to be used enough to use usable equipment, and everybody, and we don't have any marketing or anything like that, and we were waiting for a White Knight to come in and buy out part of the company but he wanted too much for the last time. I am a very, maybe I am not patient, maybe I just put things off one way or the other but I just can't waiting. Now Ken is in the mind now that I can bring a white knight in for a nice healthy piece of the company, give him all the money he needs, do what he wants to do, and let the White Knight do the marketing and he still won't loose the company. Ah, but he wasn't, probably a year ago, I don't know how many things I didn't pay attention, he wanted everybody to come in for a piece of the action. It was so funny you know. My wife, now, he is coming out for air once in a while. Ken are you ready now? In a nice way, he doesn't know .... Hey Ken are you ready. So he is ready now so I have some people going to Japan, but we have to do the Japanese, the Americans are trying to get them backing. Some Japanese outfits we, aren't dealing with them anyway. And he has a contract with Mitsubishi with us anyway. He is about to turn the corner but until he was ready I just couldn't do it for him super guy.

MR. BLACK: Well he'll know that we are serious about this, and we can give it a push we'll be glad to. I think it is like everything else, you know, when the Nissan formula cars win a Gran Prix, everybody, takes notice.

MR. HAMEL: Well, he's got, IBM's, been in your office, Digital, everybody in the Library of Congress trying to sell these new programs to them Library of Congress says, don't ever talk about this about when, in our big system, but they are all trying to get this huge system in the library, that Japan Diet and the Government are all trying to copy whatever, Library of Congress decides on. And so, all these people are there negotiating, they are always being told, we like everything you got here but we don't want to talk about your retrieval system cause we are going to have to, we have readware. We have a contract with him and we support them in the contract and if that is what they want. And it is unbelievable, so these guys can't believe it. They come see us and of course we want to see how you do it, and all that stuff anyway, go do your own. And you know put out your money. And not invented here, they are trying to reinvent the wheel themselves is like selling Motors to General Motors, so you got that company problem but the Japanese usually at the right time to do something. What I have is the head of MITI, the Japanese Government that runs everything in the industry, the ministry of industry and they are....

MR. BLACK: Is that where you got that name? MITI.

MR. HAMEL: No, no, no. MITI is Ministry of Information Technology in Japan which it tells Mitsubishi this is yours and it tells Toshiba this is yours, and it tells [Iawa?] this is yours, salute. And each one does it thing and they support the other guy cause that is his and then we'll make it up for you over here and... that is the way they run. And my very close friend is an advisor to the computer guru at MITI. So as long as he was in that position he moved over to the other part of the industry so it is very easy to make deals with him as well as his partners. And I just wasn't ready. And I didn't want to bring them in as long as Ken was in mind that it's got a great bag and he is right, and if he waits 40 more years then he could sell what he is talking about. How much you need.... But you will like him, your language. And he is so proud of this that you will say to him this, I wish you could do this, you know, except that this week he is so busy with this other program that other program he has to hand it in September 7th or something, could be over night, he gets a hold of the guru at in the other end. They are in the modem all night long and their wives understand I guess.... and all night long, playing around they find out, what if we do this, well give me some more and I'll work on it. He's at home he works in his house all his computer redesigns it and gives it back. But you will find that these guys have the patience to start 15 years they took to Koran, they researched the stem of every word in Koran to get the read ware and I met them in Saudi Arabia doing that I busted. I remember you guys, but I don't what a piece of that one.

MR. BLACK: Let's go eat.

MR. HAMEL: Okay.

MR. JOHNSON: Okay. This is going to take me a few days, Doc. This is all a slow and tedious process but once it is in there, you know that information is going to be a great value to you.

MR. HAMEL: You got my number.

MR. BLACK: The most important thing is that we get done with this we leave it here in the office we'll lock it up and that's why I was checking the locks, and .... you might give these to Sherree. These are the only keys to that set over there and that is why I want to lock it.

MR. JOHNSON: Okay, you want me to put them in there and lock them up.

MR. BLACK: Yeah, would you please, when you are done. I will see you, i'm probably going to go back because what's her name is sick and I will see you, I will be back here Wednesday.

MR. JOHNSON: Alright Doc, have a good trip. Nice meeting you.

MR. HAMEL: When you are through with them you call me up and they come back to me.

MR. BLACK: Great.

MR. JOHNSON: No problem. Like I said I won't mark on any of them except on the back of that page just to make sure that you know... I already copied....

MR. BLACK: See ya.

MR. HAMEL: Vern, thank you for everything.

MR. BLACK: Learn how to make coffee.

MR. HAMEL: What kind of ....

MR. JOHNSON: Yeah right.

MR. HAMEL: Next time we'll go out for coffee.

MR. JOHNSON: If not I need to take a lesson in moping.

MR. BLACK: Yeah that is true ... Moping / o /.

MR. HAMEL: Thank you Vern.

MR. BLACK: Where do you want to go. .... [conversation fading away]

2702

F2R416422

Exhibit 25. August 19, 1990: Lunch at Howard Johnson's  
Prod. no.: Audio, F2R400345.

---

[Transcript based on original tape recording from Mr. Black's body transmitter; no enhancement possible.]

MR. \_\_\_\_: [Inaudible].

MR. \_\_\_\_: Well, they said they - they were going to have it on over the weekend.

[Pause]

MR. \_\_\_\_: [Inaudible].

MR. BLACK: It's 12:20 on the 19th. The following will be a tape-recorded conversation between myself and Hamel as we go out to breakfast. We don't know where we're going, so it cannot be covered by the transmitter. Rick [Lund] in the listening post room, and Vern is here in the Ecolit office.

[Pause]

MR. \_\_\_\_: [Inaudible].

MR. HAMEL: Well, you've got to decorate your office [inaudible].

MR. \_\_\_\_: [Inaudible].

[Laughter]

MR. \_\_\_\_: [Inaudible]. Vern is gonna call . . . [Inaudible].

MR. \_\_\_\_: Okay. This is one of these two-month home study courses.

[Laughter]

MR. \_\_\_\_: [Inaudible].

[Inaudible exchanges]

MR. \_\_\_\_\_: I'll probably \_\_\_\_\_ when I get back home. [Inaudible].

MR. \_\_\_\_\_: [Inaudible] I can get you?

MR. \_\_\_\_\_: She doesn't drink.

MR. \_\_\_\_\_: Okay. [Inaudible].

MR. \_\_\_\_\_: \_\_\_\_\_ we can do something about you [inaudible].

[Inaudible exchanges]

MR. \_\_\_\_\_: -- we can do those type of things. [Inaudible] the court case, and [inaudible] where we're going to use. This hot-shot computer [inaudible]. I don't know what happened to Vern; is he still around?

MR. \_\_\_\_\_: I don't have enough \_\_\_\_\_ to go around.

MR. \_\_\_\_\_: [Inaudible].

MR. \_\_\_\_\_: When you [inaudible].

[ca. 6 minutes inaudible]

MR. BLACK: The other thing I need to do, is we continue to be involved with each other's \_\_\_\_\_. I've got two weeks and I need to go to L.A. and [inaudible] for a conference to see [inaudible]. That one is going to be on the other side. I'm taping that one already. But when we get down there, I'm going to have an operation \_\_\_\_\_ to do the day-to-day bullshit kind of thing, so I can struggle [inaudible].

[Inaudible exchanges].

MR. BLACK: You become a slave to those things. [Inaudible]. [Inaudible] for reminding me \_\_\_\_\_ I got. I know the \_\_\_\_\_.

[Laughter]

MR. BLACK: My mind is working on something.

MR. \_\_\_\_\_: \_\_\_\_\_. \_\_\_\_\_ was right.

MR. \_\_\_\_: I know.

MR. \_\_\_\_: [Inaudible] and turn right.

MR. \_\_\_\_: [Inaudible] on one thing and get it done [inaudible].

[Inaudible]

MR. HAMEL: Get somebody to look at that stuff.

MR. BLACK: – just bring him in, he works nights, whatever. [Inaudible]. But he could [inaudible].

MR. HAMEL: He'll work any hours.

[Inaudible]

MR. BLACK: If anybody knows how to use ReadWare its \_\_\_\_\_.  
MR. HAMEL: We got Vern at 25 an hour.

[ca. 2 minutes inaudible]

MR. HAMEL: Now you've got \_\_\_\_\_ a little bit too because –

\_\_\_\_\_: [inaudible response]

MR. HAMEL: My partner and I were calling in . . . to me \_\_\_\_ trip. Exxon was trying to \_\_\_\_ my partner \_\_\_\_\_ controlling interest [inaudible].

[ca. 2 minutes inaudible]

MR. HAMEL: My point is that \_\_\_\_\_ the Board of Trustees [inaudible].

[Inaudible]

MR. HAMEL: What happened from the Board's point of view when you went what do you do about \_\_\_\_\_ when we're going up to AH.

MR. BLACK: They don't care. The two guys on the board don't do any environmental stuff anyway.

MR. HAMEL: What about the law firm?

MR. BLACK: That was part of our deal that they don't have any

\_\_\_\_\_ : They represent states, \_\_\_\_\_, the Iroquois people, you know one guy was \_\_\_\_\_ in Miami for years \_\_\_\_\_. Sales people tried to con them.

MR. BLACK: You guy's actually, I \_\_\_\_\_ [inaudible] what they do.

MR. HAMEL: I mean I was really I was off and running with \_\_\_\_\_ [inaudible], and I never thought [inaudible]. And I looked in there [inaudible].

MR. BLACK: I think what happened [inaudible], if that ever happened -

MR. HAMEL: T, R, U, M, P; T, R, U, M \_\_\_\_\_ and what do they have going this time?

MR. BLACK: \_\_\_\_\_, shopping centers, corporate \_\_\_\_\_, banks.

MR. HAMEL: So they set up a foundation so they have nothing to do with you and you'll report to them what you're doing. They just supply the money.

MR. BLACK: They get a written report. Every 30 days, I do a written activity report. It's only 3 or 4 pages, just a \_\_\_\_\_ of what we're doing and everything. The foundation and these guys. \_\_\_\_\_, too, they're on the board. That's where the big money is.

[Brief inaudible exchange]

MR. BLACK: Well I guess they're in 50 percent [inaudible].

MR. HAMEL: They're not making any money on it?

MR. BLACK: The foundation. [Inaudible].

MR. HAMEL: A couple of cases will do it.

MR. BLACK: Oh yeah.

MR. HAMEL: \_\_\_\_\_ I had a guy who \_\_\_\_\_ the most important.

[Inaudible] Couldn't handle the situation \_\_\_\_\_.

MR. HAMEL: I've never, I've always found that I could never have anybody, for example, you've got to find a missing \_\_\_\_\_. A missing \_\_\_\_\_. I never went back as far as that \_\_\_\_\_. First of all, I looked at it \_\_\_\_\_ it didn't seem that important. It didn't seem that important. But I would never go back and ask \_\_\_\_\_ to get it. The reason is, I didn't think he picked me, he wanted me to do something - you give it away \_\_\_\_\_ don't want it to be given away. I don't want to be \_\_\_\_\_ing around trying to figure out who the hell's got it. \_\_\_\_\_ who's got it \_\_\_\_\_ give it away. You know, so I never went back [inaudible] male or female I don't know which. [Inaudible].

They get caught, they get fired, they got [firmly?]. [Inaudible]. I've never asked any of my sources to go get \_\_\_\_\_. [Inaudible] My environmental \_\_\_\_\_. If it weren't for him, I would have never gotten where I'm going [inaudible]. Rockwell International, 30 years [inaudible] this is wrong! [Inaudible] State of Alaska found out \_\_\_\_\_ the EPA guy had to \_\_\_\_\_ find out \_\_\_\_\_ they got out of [inaudible].

MR. BLACK: [Inaudible]

MR. HAMEL: Sending and putting out \_\_\_\_\_ documents beyond what they were, giving a little [inaudible] printed out that [inaudible]. So not only do they put the sludge back in, but here's what it does and here's the conclusion. [Inaudible] he said a "conclusion?" We're gonna contract you later for that, well, you don't have to, I've already done it. It doesn't pay anymore, here it is. They don't want it. What good is it? [Inaudible] so he turns around [inaudible] and ah [inaudible] if it wasn't for him I would never continue to \_\_\_\_\_. I write every goddamn, everything that ever came out of the system \_\_\_\_\_. I was only trying to acquire it. I couldn't afford it. \_\_\_\_\_ always \_\_\_\_\_ free to use their entire \_\_\_\_\_. But I never \_\_\_\_\_ involved \_\_\_\_\_, never had any money for it [inaudible].

MR. BLACK: You're saying the *Exxon Valdez* had put 'em together \_\_\_\_\_ share.

MR. HAMEL: There you go.

MR. BLACK: [Inaudible]

MR. HAMEL: [Inaudible] he ah, he's probably using 'em all.

\_\_\_\_\_ : two days' leave in Seattle.

MR. BLACK: [Inaudible]

MR. HAMEL: So finally he gets up over 5 grand [ca. 30 seconds inaudible].

MR. BLACK: No, no.

MR. HAMEL: [Inaudible]

MR. BLACK: No.

MR. HAMEL: [Inaudible] he fired him on Monday morning. [Inaudible] They ruined the man, and ah \_\_\_\_\_ it was a crime [inaudible] so we got \_\_\_\_\_.

[ca. 20 seconds inaudible]

[Recording ends at ca. 25 minutes]

EBB416480

Exhibit 27. August 23, 1990: Meeting at Ecolit office

Prod. no.: Video, F2R400347; audio, F2R411256; orig. transcript, F2R411257-288; enhanced audio, F2R416174.

[Transcript based on audio track from original video, as enhanced.]

[Side 1 of audiotape begins]

MR. BLACK: Okay, this works much better, it's a lot more handy, we'll just do a couple of letters; this thing slides out; ah, it's super, it gets out of the way, super... coffee, hot chocolate?

MR. HAMEL: Coffee.

MR. BLACK: Let's go. Go hunt for the coffee machine ... brewed up forever, or what?

MR. BLACK: He has a personality ... he has a personality that's incredible. I notice the way he ah, the way he talked to you that he has a personality.

MR. HAMEL: He's gonna grow.

MR. BLACK: He tells us when he misses us, he tells us; when he's upset he tells us.

MR. HAMEL: So how was your beginning of the week?

MR. BLACK: Good, ah, interviewing the guy up here to do some work; you ever heard of him, some local, local lawyer? Did some SEC stuff?

MR. HAMEL: Is he with a law firm now, or ... ?

MR. BLACK: He's looking. He's looking around. He heard about us in Florida. I'm gonna interview him this afternoon. Talked to him on the phone; sounds real energetic; he was involved in this latest Drexel Burnham thing.

MR. HAMEL: Yep.

MR. BLACK: What's nice about him is that he tells me he doesn't mind going up against the big guys.

MR. HAMEL: Oh, okay, I'm following you. I'm missing part of this, that's when he was going to school. '80-'86; he's still a young guy. Who's he work for now?

MR. BLACK: He's clerking for somebody. He's looking.

MR. HAMEL: Clerking? He's got a senior counsel securities extension commission [SEC?]. He did it before.

MR. BLACK: Since he's put them out, he left that and he's clerking for a law firm. However, he's not clerking, but you know, like a low level guy.

MR. HAMEL: Why would he have left before he had something, that's kind of a mistake?

MR. BLACK: Cutback. These guys, these big firms. Make you a great deal on these sunglasses.

MR. HAMEL: Cutback in the government?

MR. BLACK: No, in the ...

MR. HAMEL: Why did he leave the government, before this happened?

MR. BLACK: A lot of guys go out, think they can make some money

MR. HAMEL: A big mistake, they lose the job; I did it before, it's difficult; anyway, I work for myself. But, ah, ah, a couple of things; my captain is travelling, and I didn't want to call him until I heard back from the travel department; from my, my contact with them, finally reached last night and said to me that ah, that he had good vibes and that he trusted me and so that now I can call in a little more; this is where I go call him up and hone him some more; offer to come back up and see him right away;

MR. BLACK: What did he have to say?

MR. HAMEL: I felt good about it, but you never know. He said he had good vibes and he trusted me.

MR. BLACK: Good.

MR. HAMEL: My project for him that I've gotta get done which is,.... I'm finding some guys who are working on the Exxon and Exxon mining ships, in San Francisco Harbor, two of them; a huge monster barge and the other one is a Baytown tanker and I got to stay away from him because he's served now, and ah, and ah, I went another route, non-Exxon route, in fact, to my guy at Ballantine in Seattle, because know some of crewmen on that; and I'm getting some data as to how bad it is from each of these guys; that it's just safety problem things; an accident ready to happen; they're undermanned identical to the NTSB report on the *Exxon Valdez*; same human beings; it's the three breaks, first, second, third periods, who are working crazy hours taking the ore [oil?] off the Alaskan tankers, coming south,

laundering [lightering?] them, and as they finish laundering them, they immediately went to port themselves. See, they're moving all the time. A tanker is going to Alaska, leaves Alaska, has the first, second, third man out there \_\_\_\_\_, watching the ship sail down the coast, taking their turn (\_\_\_\_\_) taking their turns, except when they get to L.A. or San Francisco. Then, they have to repair, hours before they hit the dock, get everything ready. Just with four hours or no sleep, get ready to move. They hit the dock, with a few hours of sleep and then they have to get in there and start rolling. And then, ah, closing up, leaving, so you got crazy hours. Get a little sleep on the way back up. And you got 6, 7, 8, 10 days off . . . - anyway. So you get your rest and you start off again. But you're not allowed to do any repair work or maintenance work; this is all those cutbacks, okay. Picture that kind of, kind of operation, that kind of crew, suddenly become a laundering [lightering?] ship where coffee's just being poured all the time, what they're getting, you're getting out. You getting it out and you're just on constant duty. Normal wages, nothing going in, very tired and dangerous operation, and remember what happened. And you have to do things that you shouldn't do anyway; for example, as far as these guys down in the engine room, or what not, you're not moving anyway for a while, so what the hell's the difference; except with the engine; that happens to make it work; she wasn't moving; she wasn't anchored; so there was a problem in the engine room; something went awry; and a couple of guys happened to be down there doing something else; doing maintenance work, and off she went. Ah, the safety aspect very bad for the men, and they can't bitch because who are they going to bitch to. Now, Mr. George Miller just passed that new legislation, I think about the task force, and he got wiped out from under the shipping area because the maritime committee said that's our bailiwick and they just cut it out as a favor to the Exxon and ARCO [proper?]. So, what I'm working out, it may not work out but I think he'll do it, I think he'll be tickled pink with it, it turns out that their lightering is going on, the Exxon lightering, by coincidence, is going on outside of his district, a little bit, down the bay a little bit, but the boats doesn't come into his district, the two boats, the Exxon refinery is in his district, and ah, he's being accused of hitting too hard at Exxon, et cetera, et cetera. So he makes; I just can't hit that hard; he's up to his ears in two other things, I've checked. He's got two major things coming up. Major hearings before he comes on the session here. He's campaigning in his district.

MR. BLACK: Ah - huh.

MR. HAMEL: And my plan, my suggestion to him is that he bring?

[Telephone rings]

MR. BLACK: Hello.  
Yes, okay, thanks.  
Hold on. Go ahead.

\_\_\_\_\_: How are you doing?

MR. BLACK: Good.

\_\_\_\_\_: Is everything okay?

MR. BLACK: Yeah, fine.

\_\_\_\_\_: Just calling to let you know that we got a continuance in the California Power case until October 1st.

MR. BLACK: Really. What, did the judge's chambers call?

\_\_\_\_\_: Yes, sir.

MR. BLACK: Thanks. -- Would you call the lawyers on the case?

\_\_\_\_\_: Sure will.

MR. BLACK: Thanks, Jen.

\_\_\_\_\_: Okay. Bye.

MR. BLACK: Okay, that's great.

MR. HAMEL: Got good news for you?

MR. BLACK: Yeah, let me just jot this down. .... I got to take a \_\_\_\_\_ while I think of it. Gibson, Dunn & Crutcher [?].

MR. HAMEL: Um, huh.

MR. BLACK: Unintelligible.\_\_\_\_\_. NPDES has a permit in Alaska?

MR. HAMEL: Yep.

MR. HAMEL: And [inaudible] he has a NPDES permit?

MR. BLACK: Um, huh.

MR. HAMEL: Okay, so what I can do is that I've got a guy up there, ah, who worked for EPA for many years, a great gentleman, and he teaches

at the University; however, he got kicked out of the SEC, he got kicked out because he accidentally tripped across the \_\_\_\_\_ big scandal— and he wasn't supposed to; it wasn't in his district, or what not. He didn't check with the district boss who was involved in the scandal. So the present SEC commission just took away his desk along with everything else and also as part of his problems, they figured he worked with me, but it turns out he wasn't. It doesn't matter but we knew what he knew and he knew I knew but it's one of those things. Anyway, he's running his own little environmental group that he's set up because he tried to work for a Trustees for Alaska Energy, NRDC and, ah, Sierra Club Legal Defense Fund and, each one the DEC Commission picked up the phone and said "talk to \_\_\_\_\_, we got a code, talk to members of the board, don't touch him as a favor to me," don't touch him. Because if he got in any of those organizations he would show them how bad the DEC is with Alyeska and the oil companies. They got a little understanding between the DEC Commission and the oil companies. They hit you hard here; they hit you hard there; we gotta show 'em something. Each company gets hit a little bit in one little area; and that goes real bad. So anyway, what he did is, he started his own little operation; he suffered a great deal, I was trying to help out in any way; and strangely enough, when the *Exxon Valdez* occurred, his resume was out all over the place; private companies; he was at the university at the time; [Vico?] hired an outfit to come in and help them plan how to clean up the beach; the outfit showed up with him as head of the team. Twenty-five people worked for him planning to clean up; how to clean up; I haven't seen him secretly—we got a fishing boat, I mean a little sailboat we go meet on; like the *Wall Street Journal*; and I haven't seen him prior to ... it's the funniest thing in the world. Anyway, so he made a lot of money, he worked overtime, like the other stuff. They didn't take his advice. They didn't do it that way at all. They cut everything he wanted. They cut back by four, anyway. The funny thing is, he made a lot of money, which he needed badly, and he got his act together. And he went back to the university, then he took months off, and went to get away from everybody and went to Indonesia; he just got back. What he does is he forms these little, every time there's a group of citizens that has a problem, pollution problem, there's a law, an EPA deal where he puts together for them the package where he asks EPA for money up in the Alaska and that area for \$3,000 per group and he gives them the three grand, he shows them how to get their own three grand, and he supplies the crew of experts and they go clean up; and they obtain from the gas, etc., companies. It's a fun thing, he's forming his own environmental group or board. So he's doing his own little environmental thing. And you'll like him and he's very knowledgeable.

MR. BLACK: Yeah, I'd like to meet him.

MR. HAMEL: And, I think he'll be a vehicle for you for some things. In the meantime, what I'd like him to do is I'd like to call him up. He doesn't charge much at all. I've paid him for stuff I've had him do up in Fairbanks for me. He doesn't charge a lot. What I'd like him to do is one, go find and get this Gibson, Dunn & Crutcher thing for you right away, that new NPDES permit, go get the data.

MR. BLACK: I'd love to get that; Speaking of which, those things, those internal legal documents that was from them and from some of those other people were great.

MR. HAMEL: Good deal.

MR. BLACK: Those are just exactly what we needed. It's always good to --

MR. HAMEL: What I'll tell him is to go find the Gibson, Dunn & Crutcher submissions and the NPDES; and permits; that's eight NPDES permits that I've heard about up there in the last few weekends by the Sierra Club, and NRDC and Trustees and so ah, if he goes out there, let me know, and that kind of stuff.

MR. BLACK: What's his name?

MR. HAMEL: Carl Eller [?].

MR. BLACK: Ask him to give me a call, too, I want to talk to him.

MR. HAMEL: In fact, what I'll do, I'll talk to him first and then you can go ahead and call him, you do it, rather than go in through me. Tell him what you're looking for 'cause it may be more than one, all I know is that it was one.

MR. BLACK: Where's he located?

MR. HAMEL: Anchorage. He's working for an outfit right now, as a pollution expert. So he can't get his phone calls there. If they knew he was doing this kind of stuff they'd go bananas, too. But if he'll go get that for you and it won't be expensive I can assure you and some of the things he's doing up there, you may just have a problem with any way.

MR. BLACK: Speaking of that stuff up there, have you heard anything about those, about us?

MR. HAMEL: Yeah, oh, Nope, and I've, shoot, last time I talked to the gal was about 10 days ago.

MR. BLACK: And she's on the inside where she would know?

MR. HAMEL: No, she is, ah, a friend of hers is in the Lakeland area and tells her what's going on. And all I told her to do is I told her that you knew ahead of time she, ah, that you know that the Legal Department is Ecolit Group. And, ah what they'd like to do. Who was the Ecolit Group, what was the Ecolit Group all about? Because I know you guys are looking into it. Look at it that way.

MR. BLACK: That's perfect.

MR. HAMEL: So, ah, remember to do that. That's the Alyeska Group.

MR. BLACK: Tell me about Alyeska. I understand the way they work that they're this management company or this service company that runs the pipeline for these other people -- we talk about Exxon ships and things like that. Do we have anything that we can file on them? It seems like its the head of the triangle there. Is there anything, do we have any kind of nastiness going on with these guys that we can prove?

MR. HAMEL: Well, yesterday -- this was -- I didn't even bother reading it all cause it was read to me on the phone and when it comes in I never bother reading. This came out, yeah, here's the front page ok.

MR. BLACK: Yesterday's *Anchorage Daily News*, yeah.

MR. HAMEL: Ok, what's today -- I got this yesterday. Then people called this in to me yesterday. What Exxon is trying to say is they are trying to separate the shipping department from Corporate USA. It's just a standalone company over there, and, for the indictment that -- good thing to talk about. One of the things that we would be doing if we are successful in the Florida Keys thing, is we'd, we show it isn't no hands off. The USA Refinery Department is handing off water, diesel-contaminated crap to the ships and say get rid of it for us, so who runs who? From your point of view, who's running who? Isn't the ships running the refinery -- get rid of this for me, it's the reverse. So, I don't know where it fits, that, but I just thought it would be cute.

MR. BLACK: Yeah. Yeah.

MR. HAMEL: Just, I don't know how you get it to fit, that, but I thought it was cute anyway. If you don't have a use for it when we do something in the Florida Keys -- and the Attorney General's office would have fun with it -- Justice Department, I don't trust 'em here to the wall. They are, they have a problem. They've been covering up for years

for not covering up and this been told to leave things alone [inaudible]. So, and now unfortunately this Iraqi thing, ah, the oil companies are having a field day in Alaska with editorials and stuff every day about, ah, ah, we need the oil there for -- wait, I'll tell you one thing, I do have a fax -- they don't tell you about the time but it would be in my own newspaper the next day or too. I get these every, it just take me a week later to get it.

MR. BLACK: Yeah. So do we --

MR. HAMEL: You get the Anchorage newspaper?

MR. BLACK: We get the *Times*.

MR. HAMEL: I get the *Daily News*, I've stopped getting the *Times*. You know who owns the *Times*?

MR. BLACK: No.

MR. HAMEL: The *Times* belongs to Exxon and ARCO. They bought it right after the spill. You remember the company Vico?

MR. BLACK: Yeah.

MR. HAMEL: They cleaned up the spill.

MR. BLACK: They bought the newspaper?

MR. HAMEL: Vico bought the newspaper. They own -- the *Times*, *Times* used to be the biggest newspaper there, now it's not. He's doing a good job. He's spending millions and millions and bring in some top talent to revitalize and regain its readership. It use to be the top -- you read in here about Carl Godstein the second largest employer of Alaska. Who -- after ARCO and were two buddies and sold out for \$300,000,000, and they put it, started with Quonset Hut, ah, grocery store, and a little wholesale grocer, and, two guys, and they just sold out up there for \$300,000,000, and they're keeping most their business, just selling their grocery business for \$300,000,000; but I'd say they started out a husband and wife both husband and wife, I mean they were just scrapping day to day. Some good things happen in life.

MR. BLACK: Ah, so I don't know what ---- I'll get that in the mail.

MR. HAMEL: And you'll get that, the same thing will be in your newspaper in a couple of days, Wednesday's paper, ah, so I will call Carl Eller and get you together with him. And get some stuff going. Ah, the Alyeska -- The Florida Keys, ah, Bill Coughlin, the newspaper that

I told him that you were around and that you and I were going to get involved and that the, that I'd commit to whatever he's contributing to, which is anything to do with Exxon he's contributing, 'cause he's leading me to other people. To corroborate everything I'm getting. Ah, that we were to make sure that he get --- our scoop. I told him --- of the way I could see it going is ah, you know you all have press conferences and whatnot, but people scoop all the time, background, so you'd be background all the way -- because first of all he's going to give us some of that information. Some call he can make that I can't. You guys should talk to him not to me, but he'll corroborating things that are important to us. What he would do is, is --- I can see for example if you were to file an action you'd dump in the court at 10:05 in the evening and if it closes at 5:00 and you call him up and say it's in, and he prints the story and if it comes out during the night in the *Boston Globe* and where he knows he's got an advance copy of what you're going to be saying -- in draft, and he adds to what you got, cause he's going to have guys who are going to corroborate what you can't get to and I what can't get to, because I just can't, and you could, and you get to him to use him then --- or not, but his can't be. Apparently they just can't be touched --

MR. BLACK: First Amendment.

MR. HAMEL: -- and that makes your thing flop up cause everyone in the press is going to come to see your press conference the next day and chase around trying to figure out where the hell these guys are that the *Globe* had to try to find their own, or at least talk to the ones that you had, but anyway I think it's real good, I think from his point of view the secondary articles everything else that happens after that so be it, but he'll have a, it's his thing between with him between him and Exxon. This guy's an Exxon, so he liked that. His problem was we were supposed to work yesterday, and he called me yesterday and said that the we were going to do a conference call with a couple of guys he put me together with that would talk to me, and I could --- New York and maybe drive up and see them. One's in New Jersey and one's in New Hampshire somewhere, and he called yesterday and he got caught in this military call-up and he had to do a rush article.

MR. BLACK: Yeah. So these are the Florida Keys people.

MR. HAMEL: Both Florida Keys and the waste products going to Alaska, but I got off on a tangent here. On George Miller [BEEP! BEEP!]

MR. BLACK: Jesus!

MR. HAMEL: That's all right.

MR. BLACK: Excuse me -- fine -- all right -- good -- really -- no kidding -- well, isn't that special -- No, this is no big thing, in fact I've got somebody in the office who we'll need. I am here for awhile, we'll just continue to talk and just give me a buzz in a couple of hours. Bye. Go ahead. Sorry.

MR. HAMEL: So, if it works right what Miller will be doing is he'll take John Ballantine, my expert in Seattle, who is with Seafarer's International Union, ah, Safety Officer and — ships for them besides being a mate himself and a bosun before that. He knows the ship from the [bottom?] up. Bosun runs everything below the base. He runs the crew and guys, et cetera. So, ah, what we'd be doing, is Miller would during his campaign, as the boat arrives in Benicia, right in his district, the guys are totally exhausted because — trip, it happens every, we'll be following the crewmen — aboard who are going to be involved. And when the boat arrives [I?] Miller's going to arrange with the Coast Guard that he just wants to look at things for the Coast Guard in his district. That makes a lot of sense. He has the Coast Guard cutter their and, ah, he'll plan his timing so he gets hops on the Coast Guard boat the same time the Benicia's coming up to the dock, and, ah, so "let's get on that ship," I mean the tanker's coming up to the Benicia refinery, "So let's get on that ship and do the Coast Guard thing," well, hell, they're going to be docking, so that's no big deal. The tug boats are pushing her in, and all that stuff. They'll get on, he'll walk around and he'll be told ahead of time with this expert with him, Ballantine, what to look at. He'll go see some things that are eye-openers. How come, why, and this and that et cetera. Exxon will know they've been set up, but so what. And what we're gonna do is know the crew on that day will be the people involved. Anyway it's kind of real cute.

MR. BLACK: Does Miller know this yet?

MR. HAMEL: I've talked to his people that I have something coming in, and the whole thing is, if Miller could say, hey, I can't hit Exxon anymore, I am not a politician. So he may say, hey Chuck, do it some other way.

MR. BLACK: I can't hit Exxon on any more because —

MR. HAMEL: You never know. Where if he starts making excuses then I know too well, that oh, oh, he's a friend of Exxon right now, I don't blame him, he's got to stay at home. So, hopefully if he doesn't do it we have some other way of doing it. But this is the best way. I owe everything to Miller, my deal with him has always been give him a shot, if he doesn't want it, we'll both decide who else is going to do it instead of him. It could be environmental groups that comes in

and hits them or whatever. But see, the Coast Guard, as you know, is crooked so can't depend on the main part of this. So what he'll do is just start it and by the time that thing docks, you know, he'll have a beeper or one of his assistants gonna be his press man and have a beeper, oh, shoot, I gotta go something, something just come up. However you gonna put Ballantine on his payroll at a \$1 a year. I mean remember I used to run a senate office I was Tom Downey's aide down say, hey, way back when.

MR. BLACK: Yeah.

MR. HAMEL: Chris Dodd's father, I use to do juvenile delinquency stuff. We use to do investigations or what not, in San Diego or what not. So, put a guy on for a \$1 and he become, he becomes,

MR. BLACK: So Miller would put,

MR. HAMEL: He would put Ballantine on his payroll for a buck and he then becomes a committee and staff member on this investigation, the still ongoing investigation of the *Exxon Valdez*: Miller's argument is he wants to know the whole transportation system. So, he's gonna catch him now, see, he can't go to Maryland and catch him doing something wrong, or Louisiana. He's got to be, I mean it had to be, when I first talked about this, I can't touch that Florida Keys thing. That's OK. The way I started wiggling around, maybe there's something in California, Wham-o, and hit California, that not only hit San Francisco, but hit his district, and the particular stuff I am asking about is going right into, and the Exxon guys who are communicating with me. This is their bitch. That's why they first came to me. If you think the *Exxon Valdez* is bad we're gonna do another one. Because they're making us do the same circumstance, everything's the same.

MR. BLACK: Unbelievable.

MR. HAMEL: So [we?] don't have a radioman, all that kind of stuff. So from Miller's point of view, if he flies with this we're going to have a field day cause he's got to leave. So he leaves this committee expert onboard, with the Coast Guard guy and the Coast Guard guy, you know, they're all alike. I don't say nothing, but if you show it to me and I got a Congressman in his district, OK, I see it.

MR. BLACK: So this committee expert is really going to be Ballantine, [your?] guy?

MR. HAMEL: I know.

MR. BLACK: And Exxon -

MR. HAMEL: He has no money for this. I mean he has I, I, paid, between you and me, I have the Chief Counsel for Alaska to Alyeska at my expense.

MR. BLACK: The Chief Counsel for who?

MR. HAMEL: Miller. His Chief Counsel. Miller's office, his committee has no money. Udall keeps things .... no money.

MR. BLACK: Oh, this is this guy Jeff....

MR. HAMEL: Jeff Petrich.

MR. BLACK: Petrich. You flew him up there?

MR. HAMEL: I paid for everything. Well, you know why. What happened. That lead up to his big air pollution thing that's going on that they've been polluting their people, everyone, every Alyeska employee now has a mask....

MR. BLACK: Yeah. Yeah.

MR. HAMEL: - because they're polluting.

MR. BLACK: But Exxon ... But Miller's been a thorn in Exxon's side. And Exxon knows that Miller's getting the scoop from you.

MR. HAMEL: Well, they know that all along. Oh! The President of Alyeska has called all employees, you're talking about 1,600 employees, into conference, where he has them go to seminars. Changes shifts so he goes on Valdez on a two day period, so there's a morning shift, night shift, a new morning shift, a new night shift, over several day at Pump Station 12. I think it took him four days to do this. All the shifts at Pump Station 12. He's running around in circles, there's a whole pipeline. The second time he meets his employees, ever, ---- but the first time was only that whatever ship he came through on. Now the first time he ever met all his employees was about 4 months ago, something, 3 months ago. He meets them for the first time since November and he says, "All right, I want you to know that Congressman George Miller is out to shut the pipeline down. He wants to destroy us." And all these people, now you have to be talking to a moron for the moron to believe you. Cause the thinking guy will say, wait a minute, most of them don't know where Miller comes from. They don't know that Benicia refinery. The two refineries in his district, that without Alaska crude oil, his San Francisco people will have no gas. Oakland and San Francisco, NO GAS! I mean, he shuts that pipeline down and he'll be out of office in one hour. They'll impeach the sucker. But they don't know that.

So they're being told this guy, George Miller, is a bad guy, 'cause they know that I got people feeding stuff to me that filled Miller. That's all the employees know. That's a known thing, it's been written up. So, he says, "now he wants to do this at the behest of Chuck Hamel." Well, you know I'd never want to close that pipeline down, hell, I got oil up there. You know.

MR. BLACK: -- just ---- want to pay ya.

MR. HAMEL: Oh, that's one thing. But then on the pollution side of things I am known for ---- on pollution. So, all I want is clean up their act. Then I ain't got nothing to bitch about. But the employees would be safer, everything gonna be, safety in cleaning up their act, they won't be drinking benzene, you know, fine. So. But he says. "He's doing this at the behest of Chuck Hamel. And he says, "and I want you to know," and he's walking up and down the podium, "I've been in Washington, and I've seen Chuck Hamel and George Miller holding hands together in the quarters on two occasions." This is the President of Alyeska. The BP President. The BP wheel.

MR. BLACK: No.

MR. HAMEL: Four ships. I get, get my phone calls from your ships. So then he says, now, here's my problem. And he says, as you all know Hamel has a number of informants in Alaska up and down the pipeline, and you can't imagine what it is for me, President of the company. I hear that Hamel is complaining about this incident or that incident. And invariably he'll go, oh shoot, I'll know sooner or later, because he always knows before me, and then boom, I find out it happened again. He said we can't run the pipeline this way. Now what he's telling, I know what he's up to. The guy's got all kinds of problems in this world. What the hell is he going meeting all his employees and that's a major part, a major topic. Why. He wants his employees to grab [gab?], find out who the hell my informants are.

MR. BLACK: And who is this? The present President.

MR. HAMEL: The present President of Alyeska. You know, the President of Alyeska Pipeline. Eight oil companies have the pipeline, and he runs it for them. So, to me, this is the same guy who's picking up my trash. But anyway. This guy, he's British, and he's British American or whatever, but he goes the British way. They don't follow our laws very much. And I've got him on perjury, and on pollution, and perjury in the Congress. I am putting out a newsletter. I've shown you their newsletter called the *Insider*. I finally decided to do my thing. I am putting out the *Outsider*. I've got a duplicate of theirs, except different color, mine's green, theirs is red. And I am going to send out, I've got all the address of both --

MR. BLACK: You showed me those the other day.

MR. HAMEL: Well, I am going to start sending out the *Outsider*, and all I am doing in that is, is pointing out their testimony in Congress on behalf of their leader, speaking on behalf of them, and here's what he said. And did he speak the truth on our behalf, you be the judge. He committed perjury. Try and get the Justice Department to do something with — but get their own employees and these fuckin' people are lying. I got a whole bunch of perjury things. If the employees would just look at and say, holy shit.

MR. BLACK: Like what? What's he, what's he....

MR. HAMEL: Oh, I'll get to that another day. Just to show you what kind of things they're gonna do. This is what they put out against me.

MR. BLACK: You showed me that, OK.

MR. HAMEL: Now, I am gonna get this reproduced and part of my newsletter, and send it back to them and remind them, because now this is not only outdated. They wished to hell they never put this stuff out. Because this is, that's the one where I said that they woulda, that they woulda shipping hazardous wastes to California and sending it north, that article, that they all saw and the company made a big deal off of it. But they didn't mention that in this. — you the picture.

MR. BLACK: This is the Patti Epler article?

MR. HAMEL: Yeah.

MR. BLACK: Alyeska is accused of dumping waste in Valdez.

MR. HAMEL: That's where they are sending the stuff up. I am going to be filing — and I hope you are going to be filing a suit. So when I filed the suit I send him this. I said, remember, you know.

MR. BLACK: Unreal. You gotta be able to prove that stuff so you know we need, like I said, I want to be real aggressive on that. If they're sending waste back up to Valdez, let's get some warm bodies in here....

MR. HAMEL: Well, let me tell you. I can't make one mistake, mind you. So when we do this you'll have everything you need, I wouldn't be going. Because I've already been through the wringer on this. All these articles on that subject.

OK. So, anyway on the lightering, what Miller would be doing is, he'll identify while Congress is still in session, it's important to me.

Before Congress goes out. He can come back to Washington and raise hell on the floor, get something in the Congressional Record, holy mackerel, you wouldn't believe what's going on, and try to tack onto some bill an extension of his task force going south. They took away the shipping part of it. The task force can only do an audit down to the terminal. And what he wants is an article all the way to California. And so for Oregon, Washington state, and California's benefit, you now, the ships aren't working right, something horrible can happen. Well if this is done right, and he gets this incredible, I mean, ah, Coast Guard has to agree to his experts identifying all these terrible things that are going on, on the ship, an accident waiting to happen. Then he turns around and makes some noise in Washington, and says, I want to add on to one of the bills going by an extension of that audit to include the ships. Can you see Exxon coming in and bitching to him, and fighting him. Can you see any members telling 'em they're against that, 'cause he's become sort of a name in this thing. They were against him saying it's none of his business, he is not the Merchant Marine. Now it comes out it's in his port. No ships. The only control he has is in his port, is to add that audit to, it's not a big deal. If he doesn't pull it off, I don't know George Miller. I can see him pull it off. And then you know our Congress says, if you pull something like that off, the White House, you know your opposition, it's your bill, it's your thing. The White House has to let you have a little scoopum [?] on that. So that's what I am saying about some of the people named to the committee - to the commission and he'll have some say of, and any time he doesn't like what the commission is doing, this task force, he can hold a hearing against it. He will have a field day, and it's what he wants. So, I am sure he'll pull this off unless he, for whatever reason, politically decides he wants to back off on Exxon. And if he does we'll bring some other vehicle to do it.

MR. BLACK:

If he doesn't back off Exxon will have a heart attack?

MR. HAMEL:

Well, it's gonna hurt em. They'll know it's me --. I think I told you when the Vice President of Exxon, their top lobbyist, a guy here in town who is an adviser to Rawls. When Rawls first testified in Congress that first day over *Exxon Valdez*, and Iarossi, they were trying to leave. It's like a stumbling effect. They were trying to leave and the new people were trying to take their place in the seats couldn't move because the Vice President stops Kathy on his way, she was in the front row, and he stops everything, pulls her out of her chair and he gives her a big hug and turns around and says to Rawls and Iarossi, I want you to meet the wife of your worst enemy. They said who. Chuck Hamel, shake hands with Kathy and laughed. Meanwhile everybody is stumbling into everyone, nobody can move, the Congress or the Senate, I forget, the Senate, they're all waiting for this crowd to move out and they don't seem to be moving out.

They're talking to Kathy. So they know me real well. I tell you, very well, that's life in America. Ah, so this ... the San Francisco lightering I need that something whatever, if I don't do it with Miller, I am going to do it somebody, because that's my commitment to the Exxon crews. They help me on everything else, this is what they want. I mean the Florida Keys they're afraid of, because they're going to lose licenses if they get caught having done it. So, if they gettin' caught with our -- shipments by Exxon in the north, they don't care about that, because they won't get in trouble for that. They didn't know they were doing something wrong, in terms of the proper thing to do. So that's why all of them are speaking up now. So that up to something, it's a ringer, I got to get that done for the guys to get everything else we want in exchange from them. And the same guys are going to be giving us what we want on how bad Mr. Rawls lied about the quantities and ah, and ah, *Exxon Valdez* spill. And you know there might be a suit there. If Exxon apparently collected ah, they got a tax deduction for all their costs up there -

MR. BLACK: Ah ha.

MR. HAMEL: - the two billion they're spending apparently is a tax deduction for them. And, and part of their statement is that they lost 10.8 billion and they want to chase it, and they achieve X percent -

And if it's a big lie, what are their statements?

Ah, and it was 20, so they didn't recover as much as they said. So some of their statement is lying. I don't know how you do it, but you go in and say, hey, wait a minute, you can't run around getting tax deduction by lying. You can get your tax deductions for what you did, but don't lie about it. I don't know, it's just an idea.

MR. BLACK: OK.

MR. HAMEL: I've got an expert at Harvard University Law Department -- great environmental expert who calls me all the time on this kind of stuff. He said he would research everything in the law for me in that so we could just run with it makes sense when the time comes. So, but the guys again from the Exxon crews, they don't care about that subject. I mean, so, they don't mind helping us but they don't want to get caught in it. Ok, so that's why I got to spend time on the San Francisco lightering, but it also doesn't hurt for Miller, 'cause another good deed for Miller when we're doing our things I can tell you, *Boston Globe* will be talking to Miller and the day he puts something in court, ah, the *Boston Globe* article the next morning is going to say Miller said Miller said Miller said, which is what makes articles, and then the rest of the press picks up because it goes back to Miller and get something new from him. OK, Florida Keys, ah, this is going

to be pretty tricky because, ah, I am gonna see a guy who quit, who was on that route, who's going to be supposedly my vehicle. He doesn't know it, but he's gonna, he knows only that ---- etc, etc. I got to get him to agree to be the vehicle for us, out front. Everybody else could be through the *Boston Globe* or secretly to you or something provide some kind of thing where they won't get caught, that they can't be subpoenaed, and, ah they can be subpoenaed, all of them want to be subpoenaed .... Very funny.

As long as you don't subpoena one guy saying ---- setup. But if you do a across-the-board subpoena for all of them, they're all looking forward. And it's not that many, and I'll tell you why. You're talking two ships, four officers, and a pump man, that's five, ah, with the alternates that's ten. Ten or twenty guys plus a couple more alternates. Twenty-four guys is not a lot --- and then in the Iarossi and his deputies, so you're talking thirty guys, but almost, from what I can tell you could almost do interrogatories, if you have the right questions the guys are gonna, yeah I know. And the thing that they would need is before they get hit with subpoena or interrogatories, is some kind of a blanket pardon or something from the court, that even though they did any illegal lack, that they had to do it for their jobs, and ah.

MR. BLACK: Boy, that's difficult, see, I'll tell you what our priorities are in any of these cases and ---- the crewmen.

MR. HAMEL: Now Iarossi and his people at the refinery who made them do it, are the responsible guys.

MR. BLACK: Yeah. I'll tell you what our priorities are. First priority is, if there is any pollution going on, we want to get there, like, if you can tell that tomorrow morning at 9 o'clock in San Francisco somebody is doing something bad, I want to get there, film it, and stop it. The second thing is before we hire a lawyer, file any kind of action, or do anything like that, we need to be able to go in there in good faith, and be able to prove it. I need somebody to say, Yeah, I am Chuck Hamel and I was on this ship, and we dumped these barrel over before.....

[Side 2 of original Wackenhut audiotape begins; Side 1 of enhanced version continues]

MR. HAMEL: Yeah, I got that one guy.

MR. BLACK: OK. That's the guy I want. Once we file that complaint, then with that affidavit we find out who the injured party is, the State of Florida, whoever it is, we file that complaint. Then we have the

authority to issue subpoenas and interrogatories, depose people. We can depose the bad guys. They can depose our witnesses.

MR. HAMEL: But how do you protect the guys, these 22 guys, from the future, the Coast Guard will go after them and take their license away?

[Side 2 of enhanced audiotape begins]

MR. BLACK: The only way to protect them is to, for us to protect them, and we can't give them immunity and I don't know if even a judge in a civil case can give immunity from the criminal, from any criminal prosecution, but what we can say is that these are the guys that came forward to help us against personal....

MR. HAMEL: But they can't do that. If they come forward they're going to lose their jobs at Exxon.

MR. BLACK: Somebody has to come forward.

MR. HAMEL: I got the one guy.

MR. BLACK: The one guy. So we get an affidavit from him.

MR. HAMEL: Right.

MR. BLACK: We attach his affidavit to a complaint --

MR. HAMEL: Right.

MR. BLACK: -- and we file. This is on the, on this, just so I am clear, this is the barrels deal that's stopped.

MR. HAMEL: Barrels, and also the liquid where they, I mean the gunk they threw the stuff out besides the barrels.

MR. BLACK: So this is over.

MR. HAMEL: It's over.

MR. BLACK: It's over.

MR. HAMEL: Since November.

MR. BLACK: All right, since November. So that's the one you wanted to do this year. I am ready to meet with this guy tomorrow, I mean, you tell me where he is and we'll go meet wherever --

F2R416447

MR. HAMEL: No, but that's not the problem. The problem is the captain. One of the captains is my source here, and he was one of those four who devised how to do this. How to do the water part, the dewatering and dropping product overboard -

MR. BLACK: Oh, your guy is one of the guys that devised it.

MR. HAMEL: Well he had to -- of a job.

MR. BLACK: OK. Well, the guy that wants to come forward. We need to chat with him and see.....

MR. HAMEL: The guy that comes forward is just bitching about Exxon and was on that crew. So he doesn't even know about all this. He knows what he did, but he doesn't know that, that I have the captain. He doesn't know that, that about the captain-----

MR. BLACK: And who are they employed by? All these names.

MR. HAMEL: All Exxon, except the one that's been coming forward that has come forward already to the *Boston Globe* and said, you know, he's pissed off at everything. Ah, who's quit. He not going to sea anymore. He doesn't care.

MR. BLACK: He was employed by Exxon?

MR. HAMEL: Was employed by Exxon, was on this crew, knows about it, one of the crewmen doing it; but, ah, but my problem is the captain brought this to my attention is scared the bejesus of the whole thing because he will be, he's got a family, he'll be without a license the rest of his life.

MR. BLACK: Well, that's something that everybody has to consider if the guy, I mean once we start this snowball it's going to turn into an avalanche, hopefully, and you know the reason to file the action is to bring it to people's attention, to put a stop to it, to make sure it doesn't happen again, and to make somebody pay for it. So, we need the first guy. Will your source, the captain, get in the cloud of a fallout? That's possible.

MR. HAMEL: Then we can't do anything. 'Cause the Coast Guard doesn't even know we're coming to 'em, and it's the captain who gave me the name.

MR. BLACK: Well, tell the captain, look, here's what may happen.

MR. HAMEL: He's got, what about his wife, what about his kids.

MR. BLACK: I mean I don't know how to protect him.

MR. HAMEL: Then I can't do anything. Because, ah, it's not only him. There's only about 20 guys involved in this thing. They'd have no jobs if they didn't do it.

MR. BLACK: Was he ordered to do it?

MR. HAMEL: Well, they call it ordered to do it. Because they were, ah, if they, the way they described it to me, if they didn't solve the problem then the system is you get forgotten on shore, the next go-around. Everything to do with the system is, if you don't solve their problems, then they don't call you back for a long while.

MR. BLACK: Was there any other way to dispose of this stuff?

MR. HAMEL: Yeah. It was supposed to be dewatered before it got on board. The refinery's not supposed to be sending water with the, the refinery not supposed to be send barrels with --- that go where. They just put it on board and you got to lose it for em.

MR. BLACK: So the captain and three other captains devised a way to dump it.

MR. HAMEL: Ah. Dumped it, the captains and the, and the mates.

MR. BLACK: Devised a way to get rid of it?

MR. HAMEL: Well, yeah, dump 'em overboard.

MR. BLACK: And they dumped it overboard?

MR. HAMEL: And, and, and, dewatered dumped product overboard in order to dewater every trip.

MR. BLACK: OK.

MR. HAMEL: And so you'll know what dewatering means. This water is highly contaminated with benzene, this is what this ballast water is all about. So your dumping all this benzene -- toluene -- and xylene overboard. Up and down the Keys every four days.

MR. BLACK: In how many feet of water? How far out?

MR. HAMEL: Ah, well, hell, when they go by, when they go by Sailfish Point they're right off the water, I mean I just look at 'em right off there.

MR. BLACK: There in the stream? Up at Sailfish, but in the Keys, you know they need to go further out?

MR. HAMEL: Yeah.

MR. BLACK: But can you tell us what depth the water is?

MR. HAMEL: How far off you mean?

MR. BLACK: He would know. He's in the lanes.

MR. HAMEL: Yeah. You're in the lanes and because they want to do it in the lanes. What ships gonna be blamed on it, but the barrels are going off at the same time.

MR. BLACK: Boy, I can't tell you that bends me out of shape, being a diver down there.

MR. HAMEL: I know it bends you out of shape, but you know, these guys have family, and you're at sea, and you do what you do, what you gotta do, or you don't have a job.

MR. BLACK: Why would the captain refer us to the other guy, knowing that if the other guy talks, he may be in a jam?

MR. HAMEL: Oh, that was the understanding I made with him. We are going to do this very gracefully. You see, here's my problem. When I met with him I knew he was very knowledgeable in this area, cause he was the one who told my mutual friend he hated doing the suckers. He wished --- that's the kind of fucking company he had to work for over there. He was bitching about what they did wrong. I just, you know, caught my fancy, I use to live down there too. But anyway, so, when I talked to him he knew what I, what I am talking about the subject. He wanted to talk about what I, you know, the firing thing, the EPA stuff that was shipped to Valdez. He said we did some terrible things but there's only two ships around the clock and only so many guys, and he's one of them. And he was one of those that devised the system, just fuck it, they tell us we got to do something with it. But, what the hell we gonna do with it? So, dump it overboard is what they wanted, obviously. They put these barrels on it, they don't want to take it off, the argument is, you know, do something with 'em. Don't tell me. Just do something with them. You do. Otherwise, you know, you don't come back. So, ah, he just didn't want to talk to us, that's why I wanted to know how his vibes were when I said, look, how about if I get, I said I know there is one guy who is on those crews with you who's quit. And he said I think I know who you're talking about. And he says north of here, and I says yeah. I said he could tell me. If he wants he could

come forward. He says yeah. He says the problem, Chuck, if you go to him with this, and he comes back and the whole things on the dock, the Coast Guard is gonna come in and lift the license, and lift the license of all of us for having done it. It's against the law. We did it. And, ah, but if we didn't do it we didn't have a job, you know. Round robin. So I said what I've got to do is, the lawyer that I find have got to find a way to protect you guys from the Coast Guard, because even if they get immunity, well, you know, Exxon will leave them on the back of the list, because they got too many crewmen, officers, first of all. Secondly, ah, the Coast Guard will know who they are, and they'll get 'em, the first opportunity, because the Coast Guard works for Exxon in that respect, you know.

MR. BLACK:

Yeah. Let me tell you about immunity. Immunity is a thing from the criminal prosecution that the Coast Guard's interested in. Immunity is the thing that can only be granted by a prosecutor, or a prosecutorial authority, like the state attorney or the whatever, and the people that they grant immunity to are the people come in, in these cases and say, look here's the deal; and I am only going to give you this information if you give me immunity. So, if people can't make cases by any other means, then they use these people that are immunized. So, there's no way that this guy that wants to be a good citizen that comes forward and talks to us, there's no way we can get immunity for somebody that doesn't want to talk that did it. So, that would be like us being a third party, saying, you know, in the old mob days, the guy that's talking is the guy that collects money and he's gonna give, and we want give Santos Trafficante immunity, ah, as a result of talking to the loan collector, it's just not going to work. It's not going to work.

MR. HAMEL:

Look at this. What we're talking about is, we don't know yet if it's Federal or State, right. What is the state prosecutor, what's state orders down there?

MR. BLACK:

Well, generally the state controls, you know, three miles, --, hello, oh yeah --- that's fine --- I'll be ready in just a couple minutes with that --- thanks.

MR. HAMEL:

You gotta go somewhere.

MR. BLACK:

No. No. They're gonna give me a buzz here in a couple of minutes.

MR. HAMEL:

Ok. Well what we'll do is get more information on this and seeing how it could be done. I could see if it's federal, if, or in state, if you, if the guy who will really do the affidavit. 'Cause he won't screw all his friends either. He'd rather forget the world to than

screw the, I mean, first of all it's very dangerous. Somebody's going to get you for this.

MR. BLACK: Yeah, yeah.

MR. HAMEL: I met a guy on the ship who reported the pollution thing the Coast Guard wouldn't do anything about. He kept talking to the mates about it. Finally the mate came to see the guy, and the guy said I am sorry, I apologize, and the Coast Guard said you withdrawing your complaint, yeah. So, this is dangerous stuff. And the guy was on shore never to go to sea again, but they came and saw him. And said, hey, you know, why did you say that. So we'll leave that on the table because I'll just, I'll get what I can, but you, but if the information is good enough, and it was good enough, and it was good enough, what you might do is say, all right, to the guy, I'll, we'll go to the federal prosecutors or whatever and ah, or whatever we're gonna do with this --

MR. BLACK: Yeah, we still need the guy's affidavit.

MR. HAMEL: You'll have the affidavit, number one; and the understanding that the you will to depose the key officers and crew, the key officers of this thing and each one, I don't know, would be given ah, we would ask that each one be given immunity, ah, for his testimony.

MR. BLACK: We can ask. We can ask but, see, if, if, it all depends on what everybody says it --

MR. HAMEL: ---- if it's good enough stuff you can walk over the Justice Department and say we're gonna file here, you suckers. Will you give these guys immunity, if not, we'll drop the damn thing and you need this affidavit, you won't see it again, that's the end of it.

MR. BLACK: Yeah. Well the Justice Department can say, wrong, give me the affidavit and then leave me.

MR. HAMEL: I know the Justice Department and Exxon don't want to do anything.

MR. BLACK: OK. Well.

MR. HAMEL: ----- I took the risk, but....

MR. BLACK: All I want you to know is that Wayne Jenkins wants to do something with this. I don't wanna let it slide.

MR. HAMEL: But, but, but I do too, but.....

MR. BLACK: Consistent with what you want to do.

MR. HAMEL: But, but, the captain who brought it to my attention, ah, if he's gonna get hurt I just can't let it go by.

MR. BLACK: Yeah.

MR. HAMEL: If he gets hurt it's a bunch of other guys with him. All family men that are going to get hurt with him. Exxon has a surplus of these captains and mates and they'd like to clean shop this way anyway, suckers, real honest, let em do it. But there are other ways of using this. If push comes to shove, we'll use an affidavit against Exxon. And if so \_\_\_\_\_ we could walk up to them and say, hey, here's what the deal is. We got all this, this and that and if you agree to, just like the Hudson River one, here's a suit ready to be made. If you agree to come forward and make your arrangement of cleaning up and making damages, I mean, accepting the responsibility of the thing. I mean you did it, whatnot. Then we won't go to court against you. We do the same as the Hudson River one, go public on it and that will be the end of it, and we'll get the Justice Department to agree to sign off on it. There's a lot of ways of doing it. When I get enough data that shows you that this is unbelievable and it's worth spending some time on how to solve the problem for humans.

MR. BLACK: What can we do.....

MR. HAMEL: -- and that would be an Ecolit matter.

MR. BLACK: What can we do about anything, is there anything going on right now, right now that we know of we can stop?

MR. HAMEL: Yes. This is only some of the articles. Ah.....

MR. BLACK: Those people going down to Mexico, by the way, on that other thing....

MR. HAMEL: OK. Yeah, that's started, and ah, it starts with the, my water in the oil and *Wall Street Journal*. Let's get to my part about my part about you'll find in there immediately starts with the people started giving testimony about pollution .....

MR. BLACK: *Wall Street Journal*, 85 articles, *Oilgram* business, not telegram.

MR. HAMEL: Having to do with oil, price of oil every day, every oil guy, president of every oil company reads it. That *Oilgram*, its a daily --- memo

MR. BLACK: George Nelson. Who's he?

MR. HAMEL: President of Alyeska.

MR. BLACK: At the time?

MR. HAMEL: Yeah.

MR. BLACK: Oh yeah, this is his, I think I know if you showed me this, but I saw this in background this article I didn't know, I didn't put em together, this March 20, 1985 article.

MR. HAMEL: They're out of order, but anyway. This gives you a little bit to start with.

MR. BLACK: Why did you.....Oh, here it is...

MR. HAMEL: This what..... now we start with this. That's where we are. OK.

MR. BLACK: This is you, oil broker charges toxic waste water dumped at Valdez.

MR. HAMEL: Right. You see why I'm saying they're shipping stuff up from California.

MR. BLACK: This is dated 3/26/85.

And you think they are still doing it?

MR. HAMEL: I know they're doing it.

MR. BLACK: Shit.

MR. HAMEL: You know, I want you get a flavor for what I'm talking about and how much press was on this thing. And those suckers are so damn.....

MR. BLACK: Chuck, if they're doin' let's film it in.... you know -- Pictures speak louder than words. Let's tape a god damn movie of 'em.

MR. HAMEL: Bear in mind when you're reading all this, separately I am hitting, it's not in these articles, the ballast water treatment plant is unable to handle, it's overloaded, it's not able to handle what's coming through. So benzene, toluene, xylene, and naphthalene is going into the drink. So, if any thing, ah, anything additional going in can't handle, if it's chemicals it's even worse it's a separator. So that it's still being argued about now and they're still trying to negotiate how they're going to upgrade the system to cope with just the ballast water of the ships which I'll show you in the permit, is water from California or Oregon, whatever, and the clingage of the oil in the ship. Nothing additional can go in the system or what not.

MR. BLACK: Alright, let me read through these first samples.

MR. HAMEL: Just \_\_\_\_ get a flavor for it, there's a lot more articles that give you the area we're going into.

MR. BLACK: OK.

[Break in conversation - it appears that Hamel has left and Black is reviewing Hamel's files in front of the camera.]

MR. BLACK: This looks like his personal file here. *Anchorage Daily News* articles. He's got his handwriting on it, 3/26/85....

Mostly about him, you know, news clips, *Wall Street Journal* marked 28, 1985, news clips involving pictures of him. Here's a *Fairbanks Daily News* — April, that's March 28, 1985 and Juneau article. Here's some other articles and, about his allegations. Looks like March of '85, April of '85, April of '85, *Oilgram* of April 10, 1985. Looks like in just these personal files. I am trying to get him to come forward and tell me something that's going on right now with Alyeska. We're trying to pin him in to giving me anything concrete that we can do something about. If's there's some pollution going on right now. Vern, give me a call please, on 330, extension 330.

MR. BLACK: Now would be a good time to change the tape if you need to. Oh, do you. OK. No.

Yeah, I understand. What I told him before you didn't know about the background. It goes along with what I told him in the background. I told him we did three years of law school or something. So that's easy. I had to do that also just to let you know what the story was. Are you on slow speed or high speed with these things? How many tapes you got?

OK, we're on the first, we're on the first.

And the sound is OK?

I sort of whisper sometimes. Yeah, you just let it roll, right.

All right, sir, thank you. Talk to you later.

MR. HAMEL: I don't know —. Make some money the one next door.

MR. HAMEL: Defense Marine Marketing?

MR. BLACK: Yeah, yeah, let me shut the door.

MR. HAMEL: See that carpet in there that he has?

MR. BLACK: No.

MR. HAMEL: It's beautiful. He's gonna.... We won't get eight ships that are ready on military sea transport service. Eight ships. They're loaded with tanks now on route to Saudi Arabia. What we have in Saudi Arabia are no tanks. We don't have tanks there. Those guys got 500, I mean tanks on the border. We got personnel carriers, that's what you see on TV. But it takes one CSA to move one tank, plus --- air fuel all the way. So they got eight ships period, and what we're trying to do is, we got a whole bunch of old ships that were mothballed. You know what it is to take a old ship out of mothballs and let go to ---. It costs you more, they can buy some foreign flag ships call them American and sail tomorrow morning.

MR. BLACK: Did you ever see those ships, where is that, out west, out in California. Down by Seal Beach. Mothballed fleet out there. It's frightening.

MR. HAMEL: Frightening because they aren't usable. They just been..... It's supposed to be well kept ---, but as usual, you know the guys have got the job to do, don't care.....

MR. BLACK: Well here's the, this paragraph jumps, it's just beaming in red. Ah, your, your lawyer Mason's allegation, ah, talks about there's more water in the oil that has been reported in the past and more than we believe is being recorded now, Mason said. It has to go into the tankers or into the Bay. We think more of it is going into the Bay.

MR. HAMEL: That's the continuing argument about the -- whole thing.

MR. BLACK: Yeah.

MR. HAMEL: What's got to get you is this. You gone through this?

MR. BLACK: Yes.

MR. HAMEL: OK. In here you saw one article, separate from me, where the State of Alaska, one that had the Supreme Court to keep ships from dumping their ballast off shore.

MR. BLACK: Umm uh.

MR. HAMEL: OK. So they got to go somewhere with it. Gotta bring it to Alaska. --- effort try think --- it didn't work out. Nobody came to see her.

MR. BLACK: Oh yeah, this what we did.

MR. HAMEL: I know. But she had done that five years earlier.

MR. BLACK: This didn't work for us either.

MR. HAMEL: But she, everybody, she been a ---- I was at my hotel, she was hers. She kept saying, anybody keep people coming tell me that. I'd go see her and get caught over there, and tell her this. But then, ah, one of the things that you're gonna find that we accuse them all the way though here of shipping, tank cleanings from other ships. They did an investigation and they didn't find anything, you know that whole story I told you. Now, this is out of here. This is recent. They said, hey, we're gonna make some modifications to the, and they asked if I wanted to make comments ---- so I caught them by accident. The night before it was due. The night it was due I think my questioning. OK, this is Jim Hermiller.

MR. BLACK: Ummmm.

MR. HAMEL: Alyeska request ----modify ----. See, he requested, Alyeska requested these modifications. This is the DEC ----. The EPA saying, you accepted those modifications, however, we can't just give it to them. We got to go through ----- 401 certifications ----. So, you got to do a 401 certification. OK. That's being done now. That'll be another month or so before it's done. These are the proposed modifications. The one we're interested in is this one. Starts on page \_\_\_\_\_ here.

MR. BLACK: OK.

MR. HAMEL: What you see underlined is the new modification, before, ah, they were to determine whether ballast water was contaminated with pollutants.

MR. BLACK: OK. So you're saying. For each tanker contaminated with pollutants other than crude oil the permitter shall one, examine the oil record book, two, obtain a copy of Alyeska's ballast water survey form contains specific information. OK. If the ballast water survey form indicates that the ballast water contains substances other than crude oil, these shall be identified and the [volume?] known certified ----- these are your.....

MR. HAMEL: This is theirs. This is what they want changed.

MR. BLACK: This is you....

MR. HAMEL: I am complaining about this.

MR. BLACK: OK.

MR. HAMEL: The reason is. What they're saying is, up until this time. They're supposed to count on, check, find the crap going in, because they can't handle anything.

MR. BLACK: OK.

MR. HAMEL: And guess what. They're saying, they want to modify in order to determine ballast water survey form stands out like a red balloon. Which, what happens is the survey form doesn't say anything. What it says is how much ballast water they took on when. Each time they sucked in some ballast water. The ship is like this. It's got a little pipe underneath, that sucks in ballast water.

MR. BLACK: Right.

MR. HAMEL: And every time you suck it in you mark it in your log book. And you not allow to discharge the whole route. So, of course, by this law the Supreme Court, ah, so when you arrive at the discharge port you're allowed to get rid of your segregated ballast, that's clean. Segregated ballast is a separate compartment in your tanker which is what the new double bow is going, it's all going to be segregated ballast, so you don't have to put any dirty water into your ballast and into your tanks and then get it back up again to be cleaned. If your whole ship is loaded with double bottoms and double size, double hull, those compartments will be full of water now for ballast. And when you get near your port of discharge you just dump it in the water, it's water from California dumped in Valdez Harbor. It's perfectly clean. Now, because they don't have enough segregated ballast to their ships they have to take [on?], for storms and whatnot, additional water to maintain their stability. They put it in the old tank that still has residue in it. The residue is a clingage. And that's the ballast water treatment plant. When he gets to the terminal, you got your survey report, and you look at it, he took on 50 barrels here and put 5,000 barrels outside San Francisco harbor, and so on, all the way up. And if he hits the Gulf of Alaska and it looks real stormy ahead, suck in some more. All that's in the log book. And it shows it he ever let any out again at sea. You got to show it. That's the protection the government has. Now when he gets to Alyeska, they have all these totals and that's what they suck in, that's what they accept, from the ship, into the ballast water treatment plant, separate the water from the oil, water goes into the bay, the oil goes into the tank lines. OK. Now, they don't, the crewmen doesn't put in there that, incidentally, the company brought alongside a barge and put 2,000 barrels of oily waste into the ballast water.

F2R416458

It just doesn't get registered. Because from their point, of view it's not ballast, it's just, it could have been the cargo whole, it doesn't come in the ballast, ballast is brought in by special pipe.

MR. BLACK: Where's it go?

MR. HAMEL: What?

MR. BLACK: Once they put it in, where's it go?

MR. HAMEL: It gets diluted with the ballast water to be disposed of at the terminal. OK. Here a picture of the pipe right here. It sucks in ballast water to all these tanks. This is a fuel tank. Now, it sucks in and it adds water to each tank cause you can't have it just a certain tank \_\_\_\_\_. And that sucks in and that is logged in. Coming in, coming in, coming in you got a total, total of what is discharged at Alyeska as ballast water, OK. That's the form that they read. Now my whole argument is they use to transfer, when a tanker goes to dry dock you gotta vapor, devaporize the entire tanker, and let's say over here is a slot \_\_\_\_\_ engine room, chemicals, paint, \_\_\_\_\_ this is garbage now, liquid, garbage -

MR. BLACK: OK.

MR. HAMEL: And so when you are going to, if you have a problem with tanker that's got to be worked on, you clean it with certain chemicals and that goes to the slop tanks get dumped overboard. All that is slop, you could have 5 or 6 thousand barrels \_\_\_\_\_ waste. Now, on you way to drydock, you tank clean the clinging, everything, rust everything that you dream of could have vapors of oil under the rust and scales and whatnot. You have certain types equipment, of liquids, like we use at home. Soapy product that will clean all this out like you wouldn't believe. There's nothing left but bare metal to go into, no vapors, no nothing, to go into the drydock. You have to survey every \_\_\_\_\_. Ok, now, you keep, as you keep cleaning you work your way back to the stuff, this is clean, this is clean, this is clean, and finally it all goes into the slop tank.

MR. BLACK: This is while you're under way?

MR. HAMEL: No, at the end of, when you get to ah, to the last terminal where you discharge everything. Now you can stay at that dock, clean all this up, clean all this, put it inside the terminal.

MR. BLACK: As you're supposed to.

MR. HAMEL: Supposed to. Or you do it on the way to drydock. When you get all into the slop tank, and one extra tank to hold all this shit. Pick

one tank, and you work you way into all this ok, you got \_\_\_\_\_ and you got it all in these two tanks. And when you get to drydock, the [dock dry?] company will go by the barge. Empty all this out, clean this out into the barge and the drydock company charges you so much per barrel.

MR. BLACK: Like Crowley's.

MR. HAMEL: No, no, Crowley's is a tugboat company. A dry dock is Oregon's. It's a big huge dry dock in Oregon for example.

MR. BLACK: OK.

MR. HAMEL: They'll charge you, let's say, I don't know what. I know that some certain thing is \$1,800.00 a barrel, depending on what the stuff is. So they'll do an analysis of it and they'll charge you, reclaimer, charge you. They'll squeeze the water out and they'll something about burn what's left over, etc. . . . what not. So \_\_\_\_\_ is big money. Your talking about 3, 4, 5 thousand barrels of this stuff. Big money.

MR. BLACK: At \$1,800 a barrel.

MR. HAMEL: Well, it can be. I don't know what this slop's running for. I know you got stuff in Alaska you what to send back, the only place you can do it is in Oregon. You can't dispose of hazardous waste in Alaska. Depending on what they do analysis it can go up to \$1,800, depending what they see in it. Ok, PCBs, a little bit of PCBs in it then it's, the whole thing is \$1,800 because of what they have to do with it. Now, when you've done that, ah, normally, in the case of the Exxon, after it was built, the *Galveston* and the *Baytown*, the two lightering ships they've had sitting in San Francisco Harbor, both of them last year, after the *Exxon Valdez*, last year they had to go to drydock. Both of them did this cleaning, and one of the ships, the tankers coming by, from Exxon on the way to Alaska, pulled up alongside, a ship that just got through lightering in fact, lightering to 'em earlier. On the way back now to discharge their cargo, on their way back to Alaska, they come along side and they tie up, and this is all pumped into that ballast water in the northbound ship, spread out the ballast water. Ah, diluted. You talked about gunk, crap, shit, you know. It's all dumped into there. The northbound ship gets it to [Alaska?] as part of its ballast water. OK. Now, when you read this you're gonna find what's going on here, that, that description of ballast water, ballast water is, water from the river, ocean, or whatever. It's clean water added to the ship to maintain stability. And when it gets to Alyeska it also has, inside that ship that got caught, you know, all the waste from oily clingage coming down, period. That's all ballast water is. If you looked at the whole history

of this thing. It's to protect the bay and Alyeska, and, and Valdez. Now, you also find in here, because of me, because I caught Alyeska and there big tank farm up in Alyeska..... with this nice little brochure. This is your ballast water tanks, from the ships.

MR. BLACK: Umm uh.

MR. HAMEL: Here are these huge tanks. Ninety tanks. And then it goes to recovered crude tanks, and then it goes to these, dissolve their floatation chambers, bubbles and kick up more, and oil particles, and then it goes down to these [impound bases?] for about 8 to 10 hours, then it finally goes into the drink, OK. Now, this is ballast water, that's all it supposed to be; however, the water problem you heard about from me because of my bitching, the owners have said, if they're caught taking oil straight off the pipe when they have no choice, they have to take it right to the tanker. Any time oil is also coming to their tanker from the tank farm, since the oil water separates in 6 hours, every owner then said I'll never take any from your tank farm until you show me your water drawn. Because of so much water. And so, the water that they draw they can't put in the bay this time. That's the time in L.A. when horrible things happen. So Alyeska was running it through ballast water. While the government said, what the hell, we got to leave it there. It's not ballast water, but we've got to live with it, OK. The problem was, these tanks are huge, they're half a million barrels each. These two together are a million barrels, OK. They acquire crud at the bottom of the tanks. Here's your tank, at the bottom is this hole, crud accumulates all around, heavy, heavy crude and heavy metals and all kind of shit. It just doesn't flow good. The paraffins, et cetera. So, Alyeska started way back when, they got no propellers inside this thing, and they start blending this stuff around and just cough up this crap so that when they water draw, this crud goes out with it. Ballast water. —— got the ship, it's no good for ballast water, right. You find all through are documents for years — the bitches that ballast water system is not sufficient, incomplete, it's not doing the job, they're still negotiating using lawyers. Why they haven't gotten around to it. They're still negotiating what they'll they do to make it better, cost-effective, and all that kind of crap. So, in the meantime, when I catch them with this stuff, they also get natural gas liquid condensate from this vapor recovery system. They're sending that to ballast water. Cause it's cheaper. What they should do is use it. It's fuel. Use it as fuel. But they don't want to stop. Everything is gravity flow, don't get involved, trying to save a dime here, oil doesn't cost us much anyway we can lose it, OK. So I catch 'em at this and I pass it on to EPA. So they issue a compliance order, and it's in here. It's in the new permit as well. Compliance order which I can get you, cost of the new permit. It says, you can't, ah, it's right here, ah. They hid your ballast water — harbor rivers

seawater adding to tankers' cargo tanks \_\_\_\_\_. They can't be added crap to it. Over here, the waste water treated containing ..... If the permittee drew up the water crude oil storage tank with the purpose of treating the water, ballast water treatment facility. Tank \_\_\_\_ should be conducted in accordance ..... visible oil or emulsion should not be transferred with BWT. In other words, you got to drain it. As soon as it gets discolored, any, turn it off. Because it used to bring all that shit down. You can't do that because you're upsetting the system, and you'll find all these other things that you can't do. You can't have cleanings from the pigs. Scraper pigs that come down the pipeline.

MR. BLACK: Yeah.

MR. HAMEL: A lot of cork comes down with that. You can't have that go in the ballast water, OK. Well, if you can't have that, what are you doing with all this stuff out of California, that by law in California, when it hits shore, it's an EPA hazardous waste, and it's got to be cradle to grave? Instead, they don't hit shore with it. In this one instance, they did hit shore in another instance, but this one for Exxon, what they did is they moved it from ship in the harbor. Two ships going to Alaska so that it goes up....

MR. BLACK: On these barges you're telling me.

MR. HAMEL: From the huge tank of the *Baytown* which is used as a lightering ship and the *Galveston* which is a monster barge lightering ship. Their cleanings is diluted with, ah, ballast water going north, but it's not registered. Now if it was registered, Alyeska could not accept. But Alyeska and [EPA?], nobody's looking for it, and they are trying to amend the present permit, modify it, so that they are not responsible. The way it was set up, if somebody does what I am talking about, it's not Alyeska's responsibility.

MR. BLACK: Because it's not registered.

MR. HAMEL: It's not registered.

MR. BLACK: But what's happening is. Does Alyeska even know about it?

MR. HAMEL: Well Alyeska knows about it on a number of occasions because it [sucks up?] their apple cart. When it gets to be a lot of crud, and my employees say it really upsets the system, and they've got to putz with it.

MR. BLACK: So you got guys here, that are telling you what's going on?

MR. HAMEL: Well, that, over the past years. Lately I don't have anyone in that department. They've really cleaned house on me. But, the point is

...

[Continued on Side 3 (page 411244 of original transcript).]

**2744**

**F2R416464**

Exhibit 27. August 23, 1990: Meeting at Ecolit office

Prod. no.: Video, F2R400347; audio, F2R411243; orig. transcript, F2R411244-255; enhanced audio, F2R416175.

Continued from page 411288 of original transcript.

[Transcript based on audio track from original video, as enhanced.]

[Side 3 of audiotape begins]

MR. HAMEL: The permittees of this pipeline, up until recently, they also changed the permittees on me, so, only Alyeska is a permittee. Up till recently the permittees were Exxon, ARCO, BP, so the permittees, themselves, are shipping stuff to their own, so the permittees, who own that terminal, who own the NPDES permit are the ones who are breaking the law. Sending stuff to it that they're not supposed to. Now, my opinion is right arm-left arm, the shipping department don't know shit from shinola. They knew this was a problem way back when. They got cleared it up, nobody caught them, so they're back doing it.

MR. BLACK: OK.

MR. HAMEL: But this is as illegal as hell.

MR. BLACK: So go through the scenario again, briefly. They pull up the barges, put this junk in there that's supposed to be ballast water.

MR. HAMEL: No. Forget the barges. This is another operation. That's BP. BP is barges. ARCO is on land, and Exxon does it at, ah, at, ah [lightering?]. Exxon took the tank cleanings. The crud, the shit, the chemical that they use to clean the tanks, all that crap and they diluted it in the ballast water going north, and there's no record of it. What I am going to have, is the guys were on board, who tell us, what day it happened, what ship it went to, and all I got to do then is go to the drydock and say, if they knew it was going to drydock, I've get that data now they go to dry, drydock, did you get this thing clean? Vapor clean. Did you accept any tank cleanings? You can't into drydock without cleaning the tanks. Did you accept it? No, we don't have anything to do with that, OK. Then you go to, ah, Exxon and you say, hey, Exxon what did you do with it? We know you went, I am gonna accuse them of having it taken to Alaska, because I know they did. I am going to have some sworn testimony.

MR. BLACK: Where did you go?

MR. HAMEL: It went to ballast water treatment plant. And then ballast treatment plant can't handle it. It's not legal. First of all, secondly, I know but I haven't tracked it down yet, but I know the practice in the past has been, know, the product tanker, like the ones in Florida, they carry

everything. Chemicals, shit — you name it, jet fuel, leaded gas, etc. When they clean those out to go to drydock, I know that they used to send it to Alaska. That's what I bitched about the first time. That's what I was bitching about was that stuff. And they do the same way. The product tanker was all set and clean to either come on side with their own ships and ship it over, which took a lot of time invariably they went to barge in the ship because they were holding up two ships in the operation cause they still hadn't finished cleaning. So it's easier to do it through a barge. But I am not going to prove all of that right now. Why should I? Why should, how much money do I have to spend at this? I've got them with the *Galveston*, and I've got them with the, with the *Baytown*. And I've got 'em since the *Exxon Valdez* spill, and I got an article for you that Ken is going to blow up for you, forgot to tell you, on today's paper in Alaska where the whole description of Exxon's people are suggesting that Exxon pays two billion dollars restoration funds to restore the bay. If, to restore the bay by saving some pollution here by buying trees it would be cut. Do this, do that to help save the bay. And yet, since the *Exxon Valdez*, the *Baytown* which unloaded the *Exxon Valdez*, cleans out its innards, ships it to Alyeska, which you'll know from what's going on all over the place, is unable to handle what it has in the way of clean ballast water, I mean, normal ballast water. And this stuff has to leak through, I mean every expert will tell you. How's Exxon doing it? Have they lost their minds? They're polluting their own place that they got a 2 billion dollar suit on them. I think it smells real beautiful. I think it's a pretty one.

MR. BLACK: But it's going on now.

MR. HAMEL: Well, that happened, OK. Now, catching Exxon this week and last week, I don't what they have done, but I do know this. From what I am told, that, and I got the maps over the weekend faxed to me, and I got to AAA to get the same map because it's pretty dark, what I got from the fax.

MR. BLACK: Yeah.

MR. HAMEL: But, ah, ARCO is doing it at a GATX terminal. GATX is a huge terminal outfit all over the country. It rents its terminals to people like ARCO. And ARCO was, been doing, our guys were told, is when, and we're getting guys on the ship who are going to tell us when it happened and how. That ARCO.....

MR. BLACK: Witnesses, will there be witnesses? Will they raise their right hand?

MR. HAMEL: I don't know. --- But I know how to go about now finding out what I want.

**MR. BLACK:** You understand what I want to do. I want to catch them.

**MR. HAMEL:** You want to catch them and that, ah, is I've already told the guys that we want that for one catching, the rest of 'em we can throw what we got out and go to discovery. Because ....

**MR. BLACK:** One catching is good. We can....

**MR. HAMEL:** We got this catching. This occurred in its, they're blindsided on this. There's no way they could deny it. This occurred. And they have to show where they went with it. And where they went with it, it doesn't exist.

**MR. BLACK:** And whose ship is that?

**MR. HAMEL:** Exxon.

**MR. BLACK:** OK.

**MR. HAMEL:** *Exxon Galveston* and the *Exxon Baytown*.

**MR. BLACK:** And when did that occur?

**MR. HAMEL:** Last fall.

**MR. BLACK:** OK.

**MR. HAMEL:** Or this spring. Somewhere in the last, since the *Exxon Valdez* incident. Somewhere in this past year, this has happened. More of its happened, but this is so cold turkey. Because they went into to get, ah, drydock, you have to do something with your crap, you have to crap before you leave. You have to have a record of what you did with it. In this case. They transferred it over. That would be in the log books of the two ships. That we're going to have cold turkey from the log books. And the guy that are working out for me for you, a way of discovering the log books, where they don't say this crap is coming on board, but when they show the ship stopped and picked up fuel, and this I know all along, but I didn't realize we could do it this way. In my instance, when I made my complaint, I knew that they were coming alongside for fuel. That the fuel barge would take 4 hours. That the crud barge up front here, fuel barge is back here, the crud barge using the cargo pipes, ah, hoses to put the crud on would take 9 hours. So the ship's log shows it finished in 4 hours with the fuel, that it showed, fuel pipe separated, locked up, sealed, etc. And you hang there 5 more hours with a barge alongside. Now what they put in or not, it shows that 5 hours as blank, which is unheard of. I mean as they let go of that fuel barge they're gone, they're on voyage. But that's not important. What is

important is ARCO, which would really make it for me, if ARCO gets caught. I didn't think they were doing it. ARCO's doing it onshore. When the cargo hoses get rid of all the crude oil, instead of disconnecting the hoses and leaving, the hose is reconnected on shore to a tank that loads crud back into the tanks from ARCO, shoreside. I have to tell you my speculation. ARCO is sending back tank cleanings from GATX. That's the tanks on shore. Because that costs them money, now wait a minute. The tanks on shore, if you can't do it there, you can't have a little bit of oil in the water. Can you imagine cleaning these tanks and sending that back with your ship. Ah, and I'll tell you why Alyeska likes it. Because some of this crud literally floats up to the top and it's counted as oil and they sell it back to the owners mixed with all the oil. And these guys are really, believe me, I know this to be a fact. So.....

MR. BLACK:

You said this was speculation, but -

MR. HAMEL:

Oh, oh, I mean as far as all this shit, some of it does float to the top, but the benzene goes out, but the crap floats to the top and gets resold as oil.

MR. BLACK:

OK.

MR. HAMEL:

And that's where they think they're cute. But we know that they can't handle the benzene, the benzene is going into the water and they can't keep it with them, ah, what the government want and they're negotiating how they're going to cut it back. But if you adding benzene to the system and don't tell me about how you are trying to cut it back, and you're adding it illegally, for Christ's sake, but I, I hear this is happening enough from what shore people are talking about. But until I get, I just started sending out the word getting guys to tell me, but if this is happening, I mean how much crud could ARCO have to send out, but if it's a common practice, that we could get, really quickly. We could get, ah, when the guys no.....

MR. BLACK:

When you say send out, you mean that these guys are sending the crud out. It's being treated.....

MR. HAMEL:

Not treated, they don't treat this, separated.....

MR. BLACK:

It's being separated, sorry, being separated up at this Alyeska --

MR. HAMEL:

Ballast water treatment plant....

MR. BLACK:

Ballast water treatment plant. And then the water still has contaminants in it.

MR. HAMEL: Has contaminants, first of all it has the benzene, toluene, and xylene that's been additionally sent up. Naphthalene, which is a horrible problem....

MR. BLACK: And where's it going?

MR. HAMEL: In the bay. And it also has the chemicals. Whatever chemicals they've used to clean this BWT does not treat. It just separates oil and water. Then they got a biological degradation that they boast about which is new, which is worth shit during the winter time, but they say it is. And they aerate some of the benzene which you are not supposed to do, but they do it. But these [need?] chemicals end up in the bay. Chemicals are water soluble, go through the system, and nobody's testing for chemicals, that's not their thing. They test only for hydrocarbons, benzene, toluene, xylene. So if you want to send some PCBs up, 'cause nobody's testing for PCBs it's just gonna go. I am not saying they sent PCBs up. But you been around almost as long as I have and you know that if the GATX terminal guy is able to send his tank cleanings up. The Exxon guys they will send his crap up, then shit, when he's got some barrels of crap it's going to cost him \$1,800 to get rid of it. And all you got to do is dump it in here, it goes to here, it's clean. But where do you think the barrel goes? And we won't prove those, but I am just telling you, that's why this has gotten will stop because it's a vehicle for this other crap. I've heard about this for years and that's how they do things, but that's fine. The other thing that you'll be surprised about is Exxon, ARCO, and BP, one of their problems is the product tankers. Now when they go into drydock a product tanker, this one has jet fuel, this one has leaded gas, unleaded gas, diesel, you name it, OK. And other little chemicals that they have, that they ship. This one might be a chemical tank. And when you clean that one to go into drydock, you know, \$1,800 barrels. I say \$1,800 barrel because analysis done by the reclaimer, he finds the crap himself in there, he's got to charge them a lot more. So if you take the product tankers' crud and you put it in a tank that BP seems to operate, separate from ARCO, oops, I made a mistake. ARCO is its own tanks. BP is the one that uses GATX. BP — West Coast GATX terminals. That's where I told you there's dock, a barge that dedicated we understand, strictly for shipments north to Alaska.

MR. BLACK: This is the one that pulls alongside the....

MR. HAMEL: Right. Masks, and the whole shmeer, gloves, and these guys are rugged when it's just hydrocarbons they don't wear masks and gloves — all the time. But, ah, this one it goes to the BP ships, and that....

MR. BLACK: That's a BP operation only.

MR. HAMEL: BP operation, this is an ARCO operation only, and Exxon ---- at Anchorage.

MR. BLACK: When does the ..... Hold on a second. Hello.... OK ..... That timing is fine with me. I'll just wait on your call. Fine.

MR. HAMEL: What. Who is going to do what, where, when, I don't know. We got the word out to everybody. We're trying to find out, ah. We know, for example, that on BP so far, there could be others, but the one we know about for this. Are *Panama*, the BP ship called *Panama*, through the pipeline of *Panama*. On the way north, that stops for fuel use GATX terminal. Fuel barge comes here and this one comes here, and what we could do is where we know what ships they are, ah, the *Brooks Range* and I forget the other two. The *Brooks Range* is one of them. And so when we know when they are coming up, we could start watching for this. this and -----

MR. BLACK: Do we know when it happens? Well, instead of watching for the *Brooks Range*, why don't we just look at the GATX barge?

MR. HAMEL: Well, we're doing both.

MR. BLACK: Yeah, but I mean. Instead of getting out, way off shore looking for the big one we could see.....

MR. HAMEL: Oh, no, no, no, I am going to find out when she's coming.

MR. BLACK: OK.

MR. HAMEL: I used to have a source. I know exactly when they're everywhere. I got to spend some time trying to get my source. So, when I know that *Brooks Range* is going to be there, or any ship coming out of *Panama* is gonna be there, it's easier to be watching for it, because these guys may want this, but don't know it gonna be, it could be adding stuff to it ----. Now what we're going to do is get some samples out of this. We already found out who owns the terminal, the dock and what not. We're gonna have a guy that works with two guys, ask some more questions.

MR. BLACK: Using Ballantine's people?

MR. HAMEL: Yeah. They're already started. And part of what comes here by truck they understand is that couple's gonna be watching where everything is going. They were watching ah.....

MR. BLACK: The couple you were gonna give the expense to?

MR. HAMEL: Well no I've already given expense money to those guys to start with this.

MR. BLACK: OK.

MR. HAMEL: This and this. What I want him to do, gave him my credit card, telephone credit card, and said use the phone from here to eternity. \_\_\_\_\_ rebill me and all that stuff. I said just use my card. And then, don't think about it as a call, and I am having a new card made special for him. It will be ready within this week. That will be only his card. For everything he's doing for us on this stuff. The telephone is, when he know he doesn't have to rebill it and all that kind of crap, I think he'll be a lot looser.

MR. BLACK: Sure. It's a good move.

MR. HAMEL: And everyone of his people will call back to him on that. Now if the guys have to call on their nickel and get reimbursed and all that stuff \_\_\_\_\_. So I told him that card is his for everything that he does in this area. And first thing he is getting, for example, is what day did this go to drydock. That famous *Galveston* and the *Baytown*. The guy was on it, you see my guy didn't go to drydock. He wasn't on before. He just knew it happened. He knew when, because he was off duty, but the ship, when he went off duty weeks ahead of time because the ship went in, one of 'em was going in.

MR. BLACK: You know I just got, just talked to phone cards. I've got a bunch of MCI cards. Use MCI? You use project codes on those things.

MR. HAMEL: Well that's, I don't want to complicate it.

MR. BLACK: OK.

MR. HAMEL: Far as I am concerned, ah,

MR. BLACK: You can give 50 of 'em and give 10 on project code #1....

MR. HAMEL: Well, OK, well in this case, ah, guys that call on, same guys, for example the crewmen on this are going to be telling 'em on what they know what's going on elsewhere.

MR. BLACK: I was just thinking of your expenses. You can group 'em -

MR. HAMEL: Yeah.

MR. BLACK: - at the end of the month. They bill you by credit card number. I don't know if AT&T does that, but MCI says these 10 cards....

MR. HAMEL: That's why I got my cards. I've got four cards now that, ah,

MR. BLACK: Different numbers?

MR. HAMEL: Different numbers.

MR. BLACK: Oh.

MR. HAMEL: What that does is, I am giving him, well --- is using my regular one. That everybody and his brother seems to have. but the, ah, I got a bunch of Alyeska people that all have that too. Call other people for me. Network and. But, what he'll be doing, he'll be 1264 number, and that's gonna be his number, everything he's doing here, cause everything he's doing here is for you and anyway. So, and his people will use that card calling him. Also gives me a sense of who's doing what. Sure. Shows up on the card. All the numbers were called, where they were called, etc. I didn't get it for that reason, but anyway it still tells me what's happening. And if any people go wild with it then I can shut it down....

MR. BLACK: Show them....

MR. HAMEL: and so he will be, he's got his marching orders right now are. I'll tell you what I am up to. I want to get you to get your lawyers on this. And to get your lawyers on this they have to feel like something is happening.

MR. BLACK: Oh, yes.

MR. HAMEL: So, the first thing I am getting is right away is I want to get the two days, the date that this went into drydock, and the *Baytown* went into drydock, OK. What day they went into drydock, cause that's when this transfer occurred. Gonna have a guy, a guy on each one of these, he's looking for, that he know, he knows there's enough guys on him, and Ballantine knows both these ships, cause he's tied up to 'em. He's brought cargo to 'em for Exxon. Knows 'em well, and knows exactly where, position for me on the map. But he's telling me the same thing I already got from my captain, so, that's what I would like to hear. He's finding the date the guys who were on board, who's gonna give him a statement. We may not use them, because they're gonna get caught. They were the ones who did the transfer that day. But they are gonna give us the day it happened, what happened, what it went to. So I want to know when this went into drydock, the *Galveston*, she transferred her tank cleanings to the *Exxon Juneau*, OK, and the *Baytown* transfers cleanings to the *Exxon Baton Rouge*. Well that's easy because I also have from the Alaska side, the day it arrived, with that ballast. And how much it was. Cause that I get from Damron, I get from, ah, Coast Guard,

everybody has that. It's spoken record, OK. So then we know that this went into drydock. I can walk into the Coast Guard. I got a Coast Guard guy way up there. Who will do all the things for me at Coast Guard, and I can go Coast Guard, San Francisco to where my guys get the record she went into drydock this day, in this drydock, OK. Then, and I know from crewmen, that they transferred to whatever tanker to go north. Now with that, that day, when I give you that. I expect your lawyers to say, OK we will understand this with you, Chuck. And we will make the case that that was so wrong according to, cause I know it's wrong, but your lawyers have to look at it and I can show 'em it's wrong. But, you know, they got to sit down and start, and say, yeah, your right, holy shit. We really got them by the ying yang. And Exxon's polluting its own, it's already peeing in this place, now it's taking a, I mean, crap in this place, now it's taking a little pee in the side. It's working its way back in. So that to me has a little pizzazz to it, because it's Exxon. OK. Now you're also going to find that, ah, I think your guys would agree that we can go to federal court here in town, in Washington, cause that's where they went to when I made this complaint. They went to the federal court. Never showed them all these articles. And I got that at home for you. But they, Alyeska and the TAPS owners went to federal court, to Johnson or Jackson wherever it was, said to them, hey, you now, -- guarding this on those days I gave the EPA some documents belonging to Exxon, BP, Sohio, and ARCO in those documents. So they went and tried to get the judge to agree, under freedom of information, I couldn't be covered. EPA would have to give it to them. You know the whole story. They lost all that. But they established a venue as far as I am concerned. That court, on this subject. They picked it, not me. I thought I would have to go to Alaska to file suit. A lawyer said try here, but, so they went to this court here to save them some money, 'cause their guy is here in town.

**MR. BLACK:** Quinn O'Connell.

**MR. HAMEL:** Now, that's to me, I think we can go into that court, using the 60-day notice that's already there, Ecolit joining me together we go in and say, hey your Honor, we're asking for a stay of the issuance of this modification to change to get Alyeska off the hook. Simple. Not a big court suit, but, and the reason your Honor is this is an example of what's happening, and they're not doing it right, they're not, they're crooked the way they're doing the operation. When these two ships went up there, there was nothing in their log that shows that they got this crap. It's part of their ballast but it's not registered. So here, your Honor, here's the proof, we'll have proof, sir. I'll get somebody who's left those ships. Once we find out the dates and times, then we're gonna find out who's quit and not going back to Exxon.

MR. BLACK: OK.

MR. HAMEL: All right. I'll have it when you need it. Now the records. Now then, what I like about this. Then we turn around and I have to have little goodies out of this too. I say to your Honor, ah, these people been, ah, trying to get these documents. You said they can't have em. You said it's to protect the guys who gave them to me. Somehow I think these are the people who are picking up my trash, because historically this outfit works for TAPS here in town, has a history that I can prove of picking up people's trash, and all I want is, can we depose Quinn Connell, and take away the lawyer-client relationship. Are they still trying to get these documents through my trash? If you want to say we can't, we can't, but if we can I would like it, because it's something for me. I've got to have something too in this deal. And then, if nothing else, all I want, even if the judge says that he can't, I want it written up so it's not frivolous. The judge says well, you can't or they start arguing. Fine, I don't care how long they argue. But all I want is the *Wall Street Journal* who begged me for this. Then says, wait a minute. If it's been talked about in court, *Wall Street Journal* picks up the phone and calls Exxon, you fucking \_\_\_\_\_ and BP, ARCO and so on. Are you doing this kind of stuff. Remember GM, and so. It puts them behind the eight ball because for a few bucks I can prove it. But I am not spending this kind of money for the moment. Why should I? And by the time I get my money in November, I will spend the money and prove it's them. So, in the meantime, they might as well either admit it or say we're sorry, we're not gonna do it any more, which is fine. But I just want it on the table, in a proper way. Meantime I will also allege, I will allege, for you, I'll have for you, some information on BP and some information on ARCO, that they're doing the same thing. So that you can, from this stay, perhaps your lawyers will say we can then ask for interrogatories to see how commonplace is this practice of not registering it, and who says he can't do it with interrogatories. Because I am told, each guy I talk to like Ballantine, and the people he's talked to already, and my captain. They're all saying the, shit, we're doing it all the time. Don't tell me it's not legal. We're told, it's from Alaska. Alaska North Slope crude. What the hell's the difference? I mean, they are flabbergasted. Everybody I've talked to so far says, that's legal, isn't it? They thought they were legal, just didn't want to put it in the log book. Hey, the guy who was sending instructions from BP to the ship owner, the captain to do it, looked at me at lunch the other day, says Chuck the reason I don't have a good memory I thought it was legal, even when you were bitching about it that bad. What the hell.

MR. BLACK: What does your buddy in the EPA say about this, or does he know?

MR. HAMEL: OK. Here what I did finally on that. You know, I love to stick it to EPA, but I can't take [on?] the world. So I called John Hahn, the attorney at EPA, who did this strange investigation. So I said, John, the other day you're going to trust me more time, John. Everybody likes John. And I said, ah, I said, here's one of our problems. I said there's something wrong with your investigation, and your not going to tell me Robie Russell told you not to go to far. No, Robie, I can't say Robie Russell told me not to go to far. He took me off, put me on, took me off, put me on, you know. It dragged out for ever, and I know from a friend of John Hahn, John said I really feel bad, about Chuck, and all that shit because I am just enforcing it, tone this thing down, and I can't do it the way I would like to do it. And I have to look at it as a certain focus that I am being forced to take on. So, he's got wife and kids. He's got 15 years or 14 years or whatever the agency \_\_\_\_\_. I said, John, what did you do. I says, ah, you know, the guy who sat and watched you \_\_\_\_\_ right question whatnot. He said I thought \_\_\_\_\_ stuff. He says, well, I did the best I could, and I said, well what, did you subpoena the owners and ask them did they do it? He said, no I didn't. I said, why not? Did you subpoena and ask 'em if they did this kind of things? Well, I had no proof that they did it, so, all I did, he says, Chuck, you owe me this much. He says, I want you to know that I personally went over every single ballast log on every ship that ever went to Alyeska. No, shit. John, you told me the crewman's gonna put that on. He said, well nobody told me different. Well, yeah, he wouldn't talk to me, see, he couldn't talk to me. Once they gave him all this his boss wouldn't let him talk to me any more.

MR. BLACK: He checked this?

MR. HAMEL: What he checked was, what they're talking about. This logs, and he looked at every single one of them. Bullshit. He subpoenaed those and looked at them. But what the hell he's, or he got 'em from Alyeska and whatnot the Coast Guard. So he never saw. He only saw what they sucked in and what they gave out, and he couldn't find anything added in. He just knew there was something, because he had these sworn affidavits that I had gave him, that it happened. But, my affidavits were from the receiving end that saw a cable saying that were shipping some shit up to you.

MR. BLACK: Ummmm.

MR. HAMEL: You know, warning them that, you're going to have an upset condition. We're shipping up some stuff. So, what he couldn't find was anybody bringing it or anybody sending it, and when he didn't ask for the cables, I said what did you ask for the cables? He said how could I. I wouldn't know what cables to ask for. I said, well,

you know I was trying to tell you at the time. The cable content was very simple. Well what I wanted him to do is, sure he couldn't.....

MR. BLACK: Cablegrams.

MR. HAMEL: Cablegrams to the ship. You know, he would be walking around with 50,000 documents to look at. And that's why he didn't go to that. But I said, John, what I want him to do, but he wouldn't communicate with me or his boss wouldn't either, is I would ask for the cables only.....

MR. BLACK: Excuse me. Yes..... OK.... Um..... That's fine with me. Tell him we'll.... The most important thing for me to do is that he does the research and, ah, and finish it and we'll authorize overtime. Yeah, OK, thanks.

MR. HAMEL: All he had to do was ask the cable traffic from the time the ship leaves Panama to leaving, refueling, ah, Anchorage. And that's where they're told, pick up this other stuff. It's right in there. And you're not getting a lot of cables there. But he didn't ask for that. And he didn't ask for the cables, cause he couldn't go through all the cables, he said. So, anyway, that's what my guy was expecting when he came in his office. He was expecting him to say, well, let me see the cables, you know, for loading, you know gives instructions to put anything else in there, or anything like that. They would have been bound to give it. Instead, he said, do you do, do you ship, you know, ah, hazardous waste or anything like that.

Do you know of any hazardous waste being shipped up there wrong? The guy was easy with the lawyer sitting there, I don't know nothing. Do you know anything about — now. How do I know. I don't know if it's hazardous waste. He never ran an analysis. You know how lawyers handle that. And that's why his report says he couldn't find anybody. He said to me, Chuck, if you got something, he didn't say bring it to him. No. He knows me well enough. He knows that I don't trust EPA. He'd have to bring that back to Washington with all that stuff. I says, John, I am going to do something about it. And I says, you know, I'm going to do something positive about it. And he says, I guess you'll be taking some action. Some legal action. I says, yeah. He says, please do not. It won't hurt me at all, and ah, I'm tickled pink. Just do it, firstly. Secondly, I said to him, I said, oh, I should have brought a copy of my fax to him. I said, OK, John, what I want from you is this. He had been sick in the hospital, so ----- back in work. I said, John, I want to know what is the statute of limitations on this, because, you know, when you went and investigated you didn't find anything. So, I said I'd like to know where the statute of limitations on this, how far back they go. He said, I don't know maybe 5 years or more. He said, I honestly don't

know. He said, I'll look it up. I says, find out for me what is the statute of limitations. How far back can we go? Cause I still got the ones that I still have, when I first talked about \_\_\_\_\_. Now that my guy has quit, I can make a bigger issue of that one. Or the ones that he didn't catch. Then, and at the same time, in my fax to him, I says, I'd like to know the statute of limitations. How far back can we go? And what is the penalty, you know, what is the penalty for this? Reading the NPDES permit and whatnot, it says it's wrong. They talk about \$25,000 a day for each occurrence, or what not.

MR. BLACK: Yeah.

MR. HAMEL: That ain't much to me. Cause, each one, but, but, ah, but the practice of doing it. If it's one-time shot, but if it's a practice of doing it, what is the penalty under that. It's not 25 a, I think it's 25 a day for every day in between.

[Side 3 of audio track of Exhibit 27 ends; meeting continues in Exhibit 28]

F2R416477

2758

F2R416478

Exhibit 28. August 23, 1990: Conclusion of meeting at Ecolit office

Prod. no.: Video, F2R400348; audio, F2R411289; orig. transcript, F2R411290-307; enhanced audio, F2R416176.

Continued from Exhibit 27.

**MR. HAMEL:** Ray Nye had nothing to do with this. Ray Nye is air quality. This is water.

**MR. BLACK:** OK. But does he know this stuff?

**MR. HAMEL:** Ray Nye is like [inaudible] that's the way EPA works. This is mine. This is yours. If John Hund knew about this, he's just the attorney, he'd have to take it to the new head of EPA, who is just EPA in Region 10. She's a former attorney for AirWest here in Washington. She is just moving into Seattle momentarily. There is a temporary head sent from Washington because the prior head was relieved of his duties for helping Alyeska and Bunker Hill, two outfits, the atomic energy plant.

**MR. BLACK:** Really?

**MR. HAMEL:** Oh, yeah. He's been relieved. [inaudible] The inspector general got so many complaints from employees after the *Exxon Valdez*; everything started with *Exxon Valdez*, I'll tell you. You know, EPA started waking up about things and so the inspector general had so many complaints and the deputy director quit and went to the IG. They all went to the IG and said we'll be running a bookwork operation and everything that we find wrong. The head of EPA says, anybody dead? anybody die? any dead fish? dead animal? Show me a dead animal, a dead person, I'll do something. Then he sent back the memo. Whatever. It was terrible. So then, Bunker Hill, had sick people. They were hiding their radiation effects on people. And that's what he got fired over. Because then he was covering up because he couldn't find dead people, they were only sick. Show me some dead people, a dead animal. And then, on Alyeska, he was protecting Alyeska as well, so and now Alyeska went sour; everybody went bitching to the IG. And so the IG confronted him with all these bitches and what they were going to do and he quit that afternoon and then they sent a temporary guy out of Washington, Dunn. When Dunn arrived, he just told everybody, you know, sorry, Washington wants to make it up to you. So what did he do wrong and what did they want to clean up? And everybody came up with this is what I wanted to do. OK, go do it Ray Nye. OK, I had to go do it. Everybody go do your thing. And we'll leave it alone. And Washington will back you up on everything. So that everybody got clobbered out there who were going sailing high and all of a sudden like Alyeska and whatnot and all of them were in deep

trouble. But this new gal is a backed political appointee and she's supposed to have her wings of her own in another three weeks to a month. Dunn's coming home. And she's going to take over. So, if you were to give something to her now, Dunn wouldn't do anything with it. Because he is going out. And she's a political appointee; she's got to look at it, what's it all about, she's going to be up to here in her job, she wouldn't do any unnecessary --

MR. BLACK: Oh I understand. I was just --

MR. HAMEL: John Hund said if we come out and we do a legal action; if we do, he doesn't know it that I have, he thinks I am going to come in with a big suit. Which is fine. I want him to think that. But if I come in and just say "stay". "Don't issue it" because it puts the onus on them. Overnight, they've got to go find out what is going on. This time, they are going to have to do it right because they can't afford wrong twice. So we won't have to do a hell of a lot. If we don't want to. Once we've hung them, photographs and that kind of stuff. Look, what I am telling Ballantine is, get his guys and we may have to pay for a trip for him to go down. Where he would get his guys and book it straight, you know which local place to go rent a video and go rent it one day and try it out.

MR. BLACK: Well, we've got people that will do that.

MR. HAMEL: I know, but by the time you get the people there, I want to be there the minute the guy knows that that barge is over there, get their ass over there with a video and start videoing.

MR. BLACK: If I get a telephone call, I can have people over there in four or five hours.

MR. HAMEL: You've got guys out there at the coast?

MR. BLACK: Oh yeah. Hell, yeah.

MR. HAMEL: So then what we would do then is, we will tell you where the locations are that we are going to want done and when they will call you or them or whatever, and they will grab those guys and get them out there by boat or --

MR. BLACK: I'll put one of my guys with them. We'll see, he picks the place, we'll meet them. I'm real concerned about, I mean, the historical stuff is great to hose them on paper but I want to make sure that we stop what's going on. I don't want to let anything else happen, you know, that's ongoing. You know what I mean?

MR. HAMEL: The day you do that, and we get a stay and whatnot, it will stop

happening that day. And that's why I agree that while we're, what I want is for your guys to be preparing that stay and we won't use it until we do a photograph. I agree that that's, it would have gone quicker but I agree that we catch them in the act one time and that ship's on its way to Alaska with that shit in it and then that's when we hit them with video, photographs, whatever. Then, but in the meantime, I want to get it ready so that the day we get, it only takes 6,7,8 days to get to Alaska, you want to go in with that thing before it gets to Alaska. If your lawyers say, "I've got to study this and understand this", oh, no, -

MR. BLACK: Even if they do say that, at the same time, we need to put them on notice that -

MR. HAMEL: But if your guys understand all this shit well, then their stay is a hell of a lot stronger. They can say, "this is what they've done, this is how Exxon is polluting itself". In other words, when you do this, and you catch it on its way, you also got the big highlighter here that Exxon did it and was polluting its own area that it was trying to clean up. I mean, they're just killing some more fish.

MR. BLACK: It could be rude.

MR. HAMEL: The history is there. You know if it was just something that was happening and they were arguing, what's it gonna hurt, what's it gonna hurt, its all, the history is there. Then I get Riki Ott, who just got off the boat last night, and she's a sediment toxicologist, Dr. Riki Ott, an official woman, board of U.S.A. and all that kind of stuff, -

MR. BLACK: Yeah, you told me.

MR. HAMEL: And Oil Reform Alliance, president. And she's going to be calling in tonight and she'll be ready with a statement for our friend up in Boston, it'll be a quote. She's becoming an expert on ballast water. And she has been making a lot of complaints about it. And she put in comments trying to stop some of these modifications. So she'll say the Oil Reform Alliance, and she's also on a technical advisory group now to the EPA DEC for ballast water. That was my idea way back when. A citizen's advisory group. Well, she's on a technical advisory group. And she'll say this is absurd, I mean, what the hell is going on?

MR. BLACK: Doesn't anybody take any water samples in the bay there or in the water outside the ballast water treatment plant?

MR. HAMEL: Yeah. Its self-monitoring. It always has been. MR. BLACK: Very well. If they are dumping these chemicals, can't somebody

just go out there?

MR. HAMEL: But see, you have to know what you're looking for. If you were to take a sample, and not know what you are looking for, there's a certain test to run for PCBs, and a certain test for heavy metals and whatnot. When you dilute it, for example, you are going to find as Ballantine has been saying, there are times these ships haven't been carrying any dirty ballast and live only on their clean ballast and the weather is perfect all the way up and they've got this enormous amount of water. Why? He, independent of me, found out that, well, he knew that something was wrong from, this time Baker told him that I was bitching about that. So he started looking into these ballast reports and says, wait a minute, why do those ships show up there with all this ballast, dirty ballast, when all prior trips and after trips has had segregated ballast? See, when you get there, you dump your segregated ballast and you start loading on arrival. You dump it in the ocean as you're going in, the tugs are pushing you on and you're just dumping it, because it's clean, segregated ballast. But your dirty ballast, you got to hook up to shore, you got to wait, and your ship's gotta pump that stuff off in 12 hours, 15 hours, whatever time it takes, depending on how many barrels you got. When you are finished, you got to lock up everything, repipe it, recharge it, so now you're gonna receive. So the whole thing is, a supertanker costs a fortune, right? Every minute counts. So you never want any dirty ballast if you can get by with it, but the captain makes that decision. And if he's coming through the Gulf of Alaska and the weather is going to be bad, he's sucks in a lot of dirty ballast to make it through there.

MR. BLACK: Sure.

MR. HAMEL: But when you've looked like Ballantine, whose job used to be, he didn't know why this was going on because he was a bosun, he used to get all that stuff done for them, and he starts wondering as he is telling me, "I'll be damned, now I know what you are talking about. I didn't know why we took dirty ballast on way the hell back." You know. And mix this shit with it, so they're sitting in the harbor and they are taking on ballast way back in the beginning of the trip, crap coming on board from a barge. You've got to dilute the stuff, you can't just let it sit on the bottom and then you can't get it out the other end. You've got to spread it out so it stays a little diluted, otherwise it just would be a pile of sludge. You see, its really sludge, what he's sending up. There's a thing for you, its really sludge. Sludge has everything, heavy metals. If you do a product tanker, you've got lead and everything else in it.

MR. BLACK: Sludge?

MR. HAMEL: Sludge. S-L-U-D-G-E.

MR. BLACK: Yeah. Yeah, I know, all right.

MR. HAMEL: And in this thing you'll find because of me that I accuse them of the ballast water treatment plant taking its sludge and putting it back through the front end. And I caught them at that. And they were issued a compliance order to stop doing that. Because when you keep putting through, finally, it dilutes out. And the dilution of the solution is the pollution. And they argue, you see in newspaper articles, that the thing against me is, that they just happen to have a good plant and don't compare with other plants because they just happen to have a plant that doesn't accumulate sludge. They do such a great job. A great job of what, you know? How do you not have sludge? Because in the total suspended solids, you keep it floating around so much, that you have a high total suspended solids. In Southerville, Scotland, the water has to go through sand. The sand filters catches all suspended solids, but then they've got a big problem. They've got a lot of shit in the open sludge. But Alyeska has no sludge. It has no sand filter. And it is part of the total suspended solids and it just goes into the drink. And a big part of that is naphthalene, and naphthalene, deadly to the fish, but anyway, another story. So anyway, what I want is for, I'm going to photocopy this back to back for you, and I'm going to give some of the compliance orders and the original crap and you get your lawyers looking at those points.

MR. BLACK: I'll have Sherree photocopy that and give it back to you.

MR. HAMEL: OK, if you want. And then ask her to make two copies, one that is not back to back, so it's easier to work with. I'll do that part and you get your lawyers to start looking at --

MR. BLACK: This will give them the background.

MR. HAMEL: I've got more to give you as far as the judge's involvement, the federal court involvement, the, it ought to keep us busy for awhile. In the meantime, as a side issue, I will work some kind of a thing in on the Florida Keys that if worst comes to worst, if we can't go to court on it, then we can confront Exxon on it as Ecolit. And say, Exxon, what do you want to do about this? We put sworn testimony, Exxon, here's sworn testimony, one of your people, I won't give you the names involved, Exxon, but this is what I'm going to do. I'm going to do something about it.

MR. BLACK: And you let me know if you need another check.

MR. HAMEL: What is your schedule? When are you leaving?

MR. BLACK: Hell, I'm waiting here this afternoon. I may run out, I may leave this afternoon.

MR. HAMEL: That quick?

MR. BLACK: And come back Monday. I am waiting to hear what goes on. I got a couple of things going.

MR. HAMEL: Yeah, I'll put a package together and get Sherree to send it to you or fax to you or whatever that complements this for your people. And they can have a list that gives them an idea of, there's a lot more articles, but that gives you an idea. There's 160 articles in this period.

MR. BLACK: When are you going to do your mailing to everybody?

MR. HAMEL: I'm just working on that now. I got last night a computer, Rich came over to set my computer up for us to put all those names and addresses of every employee that we have for Alyeska. There's a lot more. But we got a lot of them; enough for me to make the mailing.

MR. BLACK: Do you think they are going to correspond with you? As a result of this?

MR. HAMEL: No. I'm not asking them to but my postal box is there. I'm changing my postal box from me to the outsider. And if they want to communicate with me, but I'm also going to put my 800 number.

MR. BLACK: I was going to say, feel free to use our address if you want, they can send you mail in care of us.

MR. HAMEL: Well, they don't know who you are.

MR. BLACK: But if you want to be associated with us for the purpose like you said of getting -

MR. HAMEL: Well, that we'll add in to one of the newsletters. Well, right now, and I told three people from Alyeska yesterday of the *Outsider*. All three of them were just flabbergasted. Chuck Hamel, I want you to know that every guy I know in Alyeska will be looking forward to your *Outsider* more than the *Insider*. They just, all three of them just went through the ceiling. It's going to be a very simple number to keep flushing this stuff out.

MR. BLACK: How are you getting this mailing list?

MR. HAMEL: I already got the mailing list.

MR. BLACK: Well, you showed me that. But how do you get an accurate mailing list?

MR. HAMEL: Well, this was done for the union that tried to unionize them. And so I got, I don't have a complete mailing list, but I got, in fact, guys who are pro-Alyeska are not on this mailing list. But I don't care if they are pro or not, what I understand will happen is, anything like this happens, there's always these guys at the shop who put it on the bulletin board right away. Anything like this. For your thing, from when you put your thing, I mean, the guys were playing around with it, it was on the bulletin board. So, those who didn't get it in their car that day, on the next shift, and every time the company pulls it down, somebody else puts it back up. And then the guys just take it and photocopy it for themselves. I mean, it's the funniest thing in the world, this operation is unbelievable. So, what I'm told is, every employee will know about it. Especially since I'm going to their homes. Now, I have a list of all the employees that come to the back of the *Insider* for their 10th anniversary, new hires, I really have every employee if I took the time, it's in small print, to do something with it. But even putting it through scanning it would be too hard to work with unless, what I'm looking at \_\_\_\_\_ doing, is blowing it up and then scanning it.

MR. BLACK: If you blow it up, we'll scan it and we can make labels.

MR. HAMEL: Well, I've got one of those label set-ups now where I put it in and then it alphabetizes them, but the problem with those is that I'd have to mail it in care of Alyeska, each one. And I don't want to send anything care of Alyeska. See, the list that I have, the old list that I have, every week in the *Insider*, people who were hired, changed position, and all that kind of stuff, with this list I can track everybody, could have access if I wanted to, but it just says where they are, pump station eight, or headquarters.

MR. BLACK: That list that you showed me,

MR. HAMEL: That I'm putting in the computer and Kathy is beginning to type them in and that is going to be with the system I have, a letter writing system with photomask or whatever, and then just push a button and put them in alphabetical order, press a button and do labels only or envelopes only, and then I can have information on each one of them, like I can have the phone number of each one of them and a postal box. And those that I don't, I'm going to put in and have them separate. Separate until I can get the information. Now yesterday I get a new guy who quit. Its a funny deal. A guy that sent a message through a mutual friend probably eight months ago. The guy was paranoid as hell; he was just so scared. And he

sent me photographs that didn't come out. He had taken photographs in the terminal and he was afraid he would get caught with them, gave them to her, a roll of miniature camera jobs and whatnot, and there just wasn't enough light.

MR. BLACK: What's he taking photographs of?

MR. HAMEL: Well, it turns out that he found, according to him, and he thinks they are going to kill him and all that shit, so I never called because a guy that thinks Alyeska is monitoring his phones and he can't call me from his home, he can't call me at my home, he is afraid they want to kill him, he's scared to death. I need to initiate contact with that man like I need a hole in the head. Because if something happens to him, I've got another burden and I got that guy that committed suicide.

MR. BLACK: Do you think its real or is he paranoid?

MR. HAMEL: Paranoid. But that's alright. But that's why we're all here. Because I don't need that burden either. I got enough problems in my life. If I was the company, it would be different, you know. So what I did was, I got the film and I sent the message back that it didn't come out but he was going to be, I gave him a way for him to call me if he wanted to, and I got up to Alaska and what I should have done was contact my friend and have dinner with my friend in Anchorage and say, hey, I could have said, hey, I want to see the guy, I'll drive down the parkway and meet him somewhere. I got so afraid that I would not initiate it until he came back to me; I just told it that way. Well, it turns out he quit.

MR. BLACK: When did he quit?

MR. HAMEL: His last day was yesterday. And he was scared to death. He was afraid something was going to happen to him; he's leaving for Thailand. So, his girlfriend or wife is in Thailand. And he's got retirement. He'll live off the retirement in Thailand like a, but the guy, uh, he's going to take two weeks to sell his house or more by the time he finds a buyer and all that kind of stuff and make arrangements to sell it, so, when I called him the other night, he was sleeping. And he was going on shift later, but he had an unlisted number, it took me from the time he quit a week ago it took me a week to find his number. I found his number and called him and he said he would be glad to talk to me. Go to his office, yesterday was his last day on the job, and I gave him my 800 number for him to call me or I call him back. And he says, you know, Mr. Hamel, you'd be surprised how many friends you have inside of Alyeska. You just don't know. Everybody is afraid to contact you. So, that just gooses me up every time. What he did was, he found he's in

maintenance, he knows everything about everything because he is a maintenance guy they use all over the place, very capable maintenance guy. So he's all over the place and maintenance hears everything, sees everything, and he does their dirty work for them. So, he found out that the tank farm was [inaudible] and they're running another tank here somewhere and he found this pump, and he has to maintain that pump. They were going to take water, that water that I talked about, and they were going to order the tanker to pour it back into the tank again. Shit, they do this kind of stuff. Someday, I'll convince you of this, but anyway, so I'm not surprised, anybody else would say, come on

MR. BLACK: Pump water into the oil tank?

MR. HAMEL: Yeah. Because they are vaporizing so much, they are losing so much along the pipeline, plus they use some to fuel themselves, that they have three refineries along the pipeline, pump stations. They refine fuel oil for themselves. Guess what? They don't measure in and out. And I never knew that. I always figured they had meters on that shit. Well, one of the guys that runs one of those things like that; they become a new source and they talk. But he runs to my source earlier on for a different reason. I don't ask any questions because then he gets in trouble. I'm very fine about that; I don't let anybody get hurt on my account; I just can't carry them. I never asked him, I met with him secretly and I just let him say what he wants to say and I never asked him for anything because I just won't. He gets through with me, he says, Chuck, he says, with this new thing that they are talking about, here's what they're doing, they're vaporizing and they're doing these terrible things. Oh, yeah, there's something that I've got to talk to you about. Ah, Ray Nye, I've got one Ray Nye one that's picked up that you could get into real quick and we'd have a lot of fun; Ray would love it.

MR. BLACK: OK.

MR. HAMEL: Rather than Ray doing something about it, we would go in and make a complaint and then he would immediately do something about it. So, he tells me this at the pump station, at the refineries, they don't measure any amount. I just couldn't believe it. Because I knew they were cheating with water because they sell it so they make up what they lose in vapor, you know there's twice the *Exxon Valdez* every year that is lost in vapor just at the shipboarding. Plus the tank farm. Plus the whole pipeline is leaking like a sieve on vapors, just leaking like you wouldn't believe. Because they are injecting natural gas liquids and butane wants to get out; it wasn't designed to have butane so the butane wants to get out at every spot, which the employees hate because they drink that shit, benzene. So, he said, this is over eight months ago, he coaxes me into the water,

he wants to know and if you look at anything, my whole history is water. And Alyeska is cheating on water, so the guy has really got my heart so I figure I'll just wait him out or I'll never get him but I will not start something with him. But now that he quit, I called him. But what he was telling me in the photographs he was sending is he was working on the pump that would pump the damn water back. And he started checking by the amount of the pump that the pump can pump, so many gallons an hour and whatnot, he started figuring out how much they were pumping back into the tank. [inaudible]. So he wrote to the president of Alyeska. And told them that this is going on. So George Nelson contacts him back and says no, you're confused; that's when he started realizing that he had his ass in a sling because [inaudible].

MR. BLACK: Is this what he took a picture of?

MR. HAMEL: Yeah. It didn't come out. But I've still got the film and the filmstrip; who knows, maybe somebody can enhance it or whatever, but the main thing is as long as he was in there, he couldn't do much about it anyway. Well now that he kept threatening to quit, I checked him out right away and one of my people said the guy is nutty as a fruitcake. He's paranoid; he thinks they are going to hurt him and whatnot. OK, that's his business. But he also likes little girls. Oh, shit. And he boasts about little girls in Thailand, he's got a young girl who is his sort of wife over there and he plays and they just young girls all the time. They've got pictures of them. All these young girls. Oh, shit.

MR. BLACK: You mean, like, pornographic pictures of him and young girls?

MR. HAMEL: Yeah. No, nude young girls. But this is Thailand, Taiwan, Korea and a bunch of guys from Alyeska live in the Far East on their time off. But hey, you're talking about, when I said morons, you're talking about Okies who now go to Alaska, who used to make \$15,000 a year on the pipeline and whatnot down here, they go up and work for Alyeska since day one, and they earn eighty, ninety thousand dollars. And they're on two weeks, off two weeks. Hunt, fish, whatever life you lead, but these guys who will never make that money again, and they're fully vested after 10 years, and they'll sell their soul for anything for Alyeska. So guys like that who get divorced, they hear from the other guys about the Far East. So they take their two-month vacation; what they do is they work extra hours; you work and stay on, instead of two weeks on and two weeks off, you stay for a lot longer, then you got four or five weeks a year vacation anyway coming from them plus you get overtime, not overtime, but you work a whole bunch of weeks, and you get your weeks off, the next thing you know you've three months in the Far East [break in recording], and they go over to wherever they want to live and that's the life

they lead, that's their business. But I don't want him as a witness, anyway, but I don't need him if he's that screwed up. But the point he was making is when Mr. Nelson told him that's not true, that he is confused, he got scared but he also is back there, right arm-left arm, you forget, he's over there working on that same pump again and is there pumping the water again. And from his point of view, it's, oh, shit, now I'm in trouble for having trouble with something that is still doing it, so I shouldn't have said anything because now my ass is in a sling with the company for having noticed it and said something. So, I don't know what else he is going to tell me. I haven't even talked to him yet. We are going to talk to him this week. And push comes to shove, I may fly up and meet him. Because I've done that before.

MR. BLACK: Where is he?

MR. HAMEL: He's in Valdez. And he may not want to see me in Valdez. You know, everybody is afraid after [inaudible] but he is afraid. In fact, he went to Maureen to talk to me; that's how he did it. She was in town for a little while at Valdez working for [DEC?], so, but I know that this part alone I want to get from him; it all relates, it all comes back. And anything else he is going to tell me. Or nothing. Whatever he's got. But this is fine. Those people, now, what I picked up, also, that would affect you now is, Ray Nye and Ray should be back in his office momentarily, I am waiting for a call, his vacation should be over, two weeks, Ray is the one that got shortchanged when they put the rim coolers and everything back on, delayed the pipeline and whatnot. And they say they are in compliance and everything is fine, leaves us alone. It turns out that

MR. BLACK: What's Ray's story? Is he a good guy, a bad guy?

MR. HAMEL: Ray's a good guy.

MR. BLACK: Yeah.

MR. HAMEL: Yeah? That's all right. Those are just notes of ours. In fact, you can erase anything but the green stuff. OK, here, up in these little refineries that I told you about. You got the refinery, the refinery is this, you got the main pipeline going down on the pipeline to the Valdez, and you got what is called a surge tank for an emergency. In case you get too much pressure, oil is diverted into the pump station here into a surge tank; it's a huge tank. Ray Nye [I?] is bitching because that tank is, would be kicking up natural gas liquids because it's not set up for vapor recovery. So that is part of this whole argument that they are doing. Spewing out hydrocarbons. But Alyeska argues to him, and in this I saw some of their arguments, aw, cut it out, don't make a big issue about that, that only happens,

we got a record of it, that when there is too much pressure it overflows into here. It doesn't happen that often, maybe twice a month. Don't make an issue about this. So, we'll put in a \_\_\_\_\_, no big deal. What they didn't tell him is that for the refinery, there's a small tank here that takes oil off the pipeline into the refinery loading tank. You suck oil off the pipeline and you take diesel off the top or jet fuel and you put it in this tank here and you use it on the pipeline and down the pipeline and the heavy oil goes back into the pipeline. That's legal. That's what I say, they don't measure it. So, they've taken something off, they don't measure how much. So no wonder they want to put water in the other end. Because they get so much up at Pump Station One, they want to have as much going out of Valdez, so that's how they make money. So, some of that going out of Valdez is water and counts as oil. Its measured as oil. Now, what they are doing, Ray Nye doesn't know, and I found out, at each of the pump stations, they don't use this tank, too much hassle. What they do is they have constant flow of oil going into here and into here. And this backup thing is you have twice a month. But if you had constantly every day oil coming in here and going to here in this big tank and had no vapor recovery, this oil coming in here has natural gas liquids in it. And it's butane that wants to get out. He says this is venting all day long. And that Ray doesn't know about. If I gave you the articles about that shit, what's happening on this whole argument that I caused two years ago,

MR. BLACK: So are you going to tell Ray about this?

MR. HAMEL: Well, Ray is [unintelligible, tone over conversation] home about this.

MR. BLACK: Hello, it's what, OK, put him through. How are you? Good. OK, yeah.

MR. HAMEL: I got to tinkle.

MR. BLACK: Go ahead. In fact, I am going to go down there with you in a second.

MR. HAMEL: Yeah, things are fine. I'm getting a lesson on vapor problems and things like that. But Vern is here and everything is fine. I need to go to the bathroom so I am going to go when he's there, so we don't have him in the room without the one-party issue. So, I'll talk to you, I want to talk to you about some things at home anyway. Good bye. You're boring, bye.

MR. BLACK: Yes, they are. That will be great, so we'll do that. Stay on sailboat and not have to worry about the other things.

MR. HAMEL: Sherree will be looking for you.

MR. BLACK: Yeah. I don't know where she is. But she'll call back.

MR. HAMEL: OK, look at this. What I am talking to Ray at home about is he is going to go find out that what I recall seeing of what was happening that I'm right, that he has been lied to, he thinks that this is operating and he thinks this is only for the surge and he doesn't know that this is leaking and all that kind of stuff, OK. While Ray is doing that, the guy that works with this pump station, at this power plant, not power plant, refinery, you told me about it the other day, and I told him I can make some music on it and he said, "OK, go do it". And I said, no, I won't. And he says, why not? I says, how do I know it's not happening at the other two pump stations? I'm sure it is. You know, they do everything the same way. I says, yeah, but if it isn't, you are always suspect, he is suspect, they think he is one of my sources. And he knows that they know, everybody knows that he is probably one of my sources. Because of the things that he has done. So, I says, that's all we need is to hang your ass, because if the other two pump stations are not doing it, they'll figure its gotta be you and I'm in the middle. I just don't do those things.

MR. BLACK: This is the guy you told me they knew about because of the mail?

MR. HAMEL: No, this is a whole new thing. No, I got one guy who because of the mail told me about the rim coolers, he calls in all the time, and he calls in to me before I even say anything to him. I says, hey, what are they doing up there? I don't like to ask questions that the guy could get into trouble if he told me. Its just that I hear that they are going to spruce things up again. He says, yeah, you know I just put the rim coolers back on. And this guy keeps asking my other guy, because they happen to know each other for some other reasons, is this guy in Washington? and Miller and whatnot. And the other guy says, nope. I figured you are one of his sources, because you are always bitching about some of these things. So, give me some of your stuff. The one guy is giving the other guy stuff to send to me. And he doesn't know that the other one is one of my sources. And I don't tell each one.

MR. BLACK: That's the way to do it.

MR. HAMEL: I just can't. Because that's a way to get into trouble.

MR. BLACK: That's the way to do it.

MR. HAMEL: So I told him I will not touch this until he is sure that it's going to be at each of the other two pump stations, the other two refineries. And he says, well, I'll find out right now. And I says, don't you go

calling up there. They'll record you. He says, no, no, a guy at the other refinery is on off-week too, I'll call him at home. And he calls me back ten minutes later. When you give guys an 800 number, they do a lot different when they've got to -

MR. BLACK: Sure.

MR. HAMEL: Plus they don't want their own phone bill to show my number. So, he calls back and says they are doing it at the other pump station. I say, OK, can you find out while you are on your off-week if the third one is operating that way? Then I really feel, I felt comfortable with two anyway. He says "I'll do that". And I says, then I didn't say anymore. Well I said I was going to find out; Ray Nye was at my house that night. We left the next morning and I forgot all about it. So we're doing all those conversations with Ray; I take him to the airport and forget, so I said to him, I'll get on it, Ray Nye and I'll find out how it's recorded and if it is then we'll make some music. He said, I'll tell you what, I'm going back this week, he comes off Thursday. On Thursday morning, and he's always been true to form when he says he is going to do something, I have diagrams of this little refinery and this tank and that tank, that I already have. But mine are old. He's going to get some up-to-date ones right out of the files. And he's going to send me the piping that's been added and how it functions.

MR. BLACK: Yeah. That's great.

MR. HAMEL: He's going to get me all that; that will be in the mail Thursday morning. I know him well, Thursday afternoon, maybe he'll be off the plane by Thursday afternoon and he'll go right to the post office and ship it to me, I just know he will. So anyway, but I didn't ask him for it. You get used to doing that. I let him offer. I told him I had some diagrams I could work with; let me get you some that are up to date, I'll do it right for you and I'll show you just how to -

MR. BLACK: So you kind of set it up and put the thought in his mind.

MR. HAMEL: Because, you know, he gets caught sending that to me and he loses his job and at \$80,000 a year, he's got family too, except that he says, you know, it was his idea, he did it. I don't feel bad. He wants it solved, he thinks it is wrong that they are doing it and he wants to go that far, that's his business, but for me to ask him for that and then he gets caught, I'd never forgive myself. Hey, I gotta live with myself. And the guy, I can't get him a new job. I can't help him. So, you know, you're an organization, you're different. But I am a human. I didn't say that your guys are too. But I am an individual.

MR. BLACK: Well I can't keep his job either.

MR. HAMEL: I know but, say if your guys ask us you've got a job to do. The environment is your thing and you've got to do it. But I can't do that. And I never will. So, but it works out in the end. What I get is so strong that I can't believe it. This is being mailed to me Thursday. Ray Nye, I will talk to and find out the legal stuff. Ray, I will talk to him at home, so that if Ray can show me that there is some legal action that we can take, then we do it right away. I mean we do it in two weeks' time. But Ray will then give me all the legal ways to handle it because he just as soon, rather than his knowing about it, every time he makes a noise, the EPA, the new administrator will look at it and DEC will look at it. What I was going to do if you weren't, well, I would have just, and I didn't think of you all just now, when I talked to him the other day, the deal was that I was going to make a noise in a written letter because it's my deal in the first place, this whole air quality is mine.

MR. BLACK: So you think that Ray could put us on target based on -

MR. HAMEL: Well, see, what I am going to do with Ray now, I was just going to write a letter and announce that this is what they are doing; the fuckers are lying and everybody and whatnot. But if Ray can give me all the legal side of it, then you guys, your lawyers can just pick it up.

MR. BLACK: That would be great.

MR. HAMEL: And Ray wouldn't mind, because it's not his fault, and we just come in and make noise and he picks up from there because he is mad; the state backed off a little bit, the federal judge backed off, and now with the Iraqi thing its even worse. They are going to back off on everything unless we come in and really hit them with stuff.

MR. BLACK: OK, well, that sounds good.

MR. HAMEL: This is gonna be fun. If he can show me the legal aspect, that they've lied to him and they're each running around with some live stuff, then they'll know how to spell your name in a hurry. On this one thing, and this is so clean, we do that right away. And then we come in with this one a few weeks later -

MR. BLACK: Yeah yeah yeah.

MR. HAMEL: and then we've got credibility. Each one had been festering deals for years. So it's not something that people have to get identified with and the press has to understand; they know this intimately. On this air quality thing, one TV station did, and I've got the clips

for you, they did days and days of this of how this is going, there is something wrong.

MR. BLACK: Nye is in Alaska or in Seattle?

MR. HAMEL: He's in the regional office in Seattle; head of air quality for all of the West Coast.

MR. BLACK: I'd love to meet him if he ever gets down here.

MR. HAMEL: He doesn't travel usually; he just was on vacation with his family and stayed at the house for a couple days. I mean, we're close. And he thinks that the government doesn't handle things right but, like I told you, you rock the boat, a lot of good it does, somebody else will be in your shop and will do less than you do about it, so just don't rock the boat. Stick with him. And it pays to be patient because those suckers, I can't wait to find out that they've been lying to him on this aspect. Now they may have told the truth to him in this aspect but it says very limited.

MR. BLACK: So the diagram you are going to get is a real diagram of the way it is today.

MR. HAMEL: Not only that but the guy who runs it is making it for me; he's been there for 14 years. Now running that plant. But the other thing, an operator operated the plant, but the other thing that is cute in this, also, is you'll find I've got my files of letters where I sent the ballast water, on the air quality, I sent all kinds of diagrams of the original Alyeska diagrams, these huge things, of the whole terminal. Air quality. Vapor recovery. Eighteen pounds. And I sent it to EPA with the understanding it had to self-destruct if the other side asks for it and whatnot and made a big deal about it, what, 18, 16 pounds or whatever, and I bought the Federal Express and sent it to them and I said to Ray Nye, now you can have this because Ray Nye is expert at going into the terminal but didn't know what to look for in the terminal. I says, you can have this, but I want you to give it to DEC, Bill MacClarence, when you are finished and then he'll give it back to me, because I wasn't going to photocopy this kind of monster stuff and all the documents that go with it, OK? This is the original construction stuff. So, he said fine. Every time I see MacClarence, MacClarence comes into my house, same thing. He comes down with his wife and spends time with us. I says, MacClarence, one day I says, when are you going to give me back my documents? And he says, what documents? So I give him the old stuff and he didn't know what I was talking about. I says the air quality diagrams and he gets this perplexed look. He knew he couldn't remember these damn documents. I figure, oh well. So I get up to your office which I do. And I'll find them there, we'll get

together and find it in your files, I want my stuff back. But don't worry about it. I ask him out there but not at lunch and not in his office or on the phone. I asked him maybe four times. And he couldn't remember. I want to get them sooner or later. I get to Boston and am having dinner in a restaurant and, like you, I call my answering service, "Anything going on?", and it's Thanksgiving, and Ray Nye called. So I called Ray, what's going on? He's checking on something funny. Remember those documents you need? I said yeah. He says Alyeska has them. Their security division got them from the police in Anchorage. And they never got to Bill MacClarence. We mailed them to them but they never got them. What the hell am I going to do about that? I don't know how they got them but this happens to me. So I'm funny about little things like this. When I, if we go with EPA route to the federal court here, one of the things I want to throw over there is that subject. Somehow, EPA to DEC documents that were important to them on this whole air quality thing that is so important to everybody disappear.

**MR. BLACK:** Who did you give them to at EPA?

**MR. HAMEL:** Ray Nye.

**MR. BLACK:** And Ray Nye was supposed to --

**MR. HAMEL:** Ray Nye gave them to Paul Boyce and that was understood, his assistant, who was going to the terminal to look at everything and Paul Boyce was supposed to, Paul Boyce said he sent it to and the reason that Ray Nye knew about it is Paul Boyce gets a phone call from the people at Alyeska, Security Division, asking him about the documents, you know, where the hell did you get them from? They got them now. And he was saying, "somewhere," and they got them. They wanted to know, I don't know what they were asking him, so he was perplexed and he goes to Ray Nye and Ray called me right away because he figured, oh my God, he didn't want me screaming, he wanted to be the first to tell me that somehow between EPA headquarters and DEC headquarters in Anchorage, by mail they disappeared. And Alyeska Security Division has the same people checking you out. So, I am not making a big issue of it.

**MR. BLACK:** Where did they get them?

**MR. HAMEL:** They said they got them in an abandoned car, in the trunk of an abandoned car that the Anchorage police found. But if the Anchorage police find it in an abandoned car trunk, somebody stole some mail or whatnot and that was probably with it. But if it's addressed to some EPA to DEC with a cover letter from Paul Boyce, then why would Anchorage police give it to Alyeska instead of DEC?

Because, I'm paranoid. Let me tell you what happens. Everybody in Valdez on the police force has an application at Alyeska because he makes \$35,000 a year here; if he works at Alyeska he not only gets \$80,000 a year as a building guard as a guard at Alyeska, then you also get two weeks on and two weeks off; it's a hell of a way to live.

MR. BLACK: They make 80 as a guard.

MR. HAMEL: Well, the guards make less. They probably make sixty. But with the overtime and time on-time off and you go fishing and you fish, you know, fishing season up there, you go two weeks on and two weeks off, for two weeks he's like a commercial fisherman. You go out and go hunting and get your bear and your deer and all that stuff in the winter and you go shopping outside on your vacation outside and you go to Anchorage for, so anyway, let me tell you, every human being in Valdez, including the police chief, has an application at Alyeska. Every once in a while one of them gets a job. And once they get in the building guard system, then they have their application to go into an operator in a terminal. And a whole bunch of them moves from there, once they know they can trust you, they move you over here, and then you are in the eighty grand deal. Because an operator, all he does is watch this pipe go to that pipe and if you know more they don't want you there because that's the way the system works. But then they find them. So I have to see when we go, say, if your people wind up, then I've got a lawyer to do that part, says hey, judge, can we ask for a look in their trash? Incidentally, your honor, according to EPA, something else that we gave EPA that you said they can't have, the other side can't have, they didn't get it through you but they somehow got it and I don't know how. Well, why should I spend the money to find out how? My argument is why should I spend this money. It happened. It's a good story. And EPA will say, yeah, somehow between us and DEC these documents that Hamel gave us, 18 pounds of documents, are missing and Alyeska Security Division has them. And they say they got them from the Anchorage police. I don't care how. Let everybody else have the burden of figuring that one out. But that's the kind of thing the *Wall Street Journal* is sucking air for and they just say they want to run with that. And I said I'm not ready yet. I'm very funny about that. I don't want to give it to them when I don't have enough to make it a big deal. And now I can make it a bigger deal. This is the bit, it's the sovereign state of Alyeska. When you start understanding that, you start understanding how it works.

The *Wall Street Journal* talked about that a little on the side because of me I called them the sovereign state of Alyeska and they started calling it that way and they got [Denny Kelsler?] calling it that so they could write it in their article. Their article was supposed to be

"sovereign state" and their lawyer took the name off it because the heading was going to be "The Sovereign State of Alyeska" and the lawyer for the *Wall Street Journal* made them take that part out.

MR. BLACK: I'm going to jump on the phone. Like crazy here.

MR. HAMEL: Can I have a loan of that stuff?

MR. BLACK: We'll all copy it, sure, I'll give it to you.

MR. HAMEL: OK.

MR. BLACK: Let me know. I'll wait here for you. Thank you.

MR. HAMEL: You guys get your lawyers to start working.

MR. BLACK: Don't worry. I'll do it right away, Chuck. OK. I'm just leaving the office now. It's a little bit after two. Give me a call on the phone and you can disconnect the recording right now. Thank you. [phone ring] Are we off?

[recording ends]

**2778**

**F2R416498**

Exhibit 29. August 24, 1990: Sherree Rich delivers check and documents to Hamel  
Prod. no.: Audio, F2R400349; orig. transcript, F2R411019-028; enhanced audio, F2R416177.

MS. RICH: I am attempting to make contact with Charles Hamel at 101 Quay Street. I am going to be giving Mr. Hamel some documents and two sets of copies of these documents which I have made. I am also going to give him a check for \$2,000.00. It is from me to him, check No. 1009. I am arriving in front of his house now. [Noise - Ringing]

MS. HAMEL: Yes, who is it?

MS. RICH: Hi, this is Sherree Rich. I am here for Mr. Hamel.

MS. HAMEL: Sherree Rich?

MS. RICH: Yes, I have some paperwork for him.

\_\_\_\_\_ : Just a minute please . . .

[Noise]

MR. HAMEL: Hello?

MS. RICH: Hi, Mr. Hamel.

MR. HAMEL: Sherree, how are you?

MS. RICH: Fine, how are you?

MR. HAMEL: What are you doing over here?

MS. RICH: I had to bring all of these copies over for you.

MR. HAMEL: Which copies?

MS. RICH: Copies of some paperwork that Wayne gave me and a check.

MR. HAMEL: Oh Sherree.

MS. RICH: Yeah, Rich.

MR. HAMEL: I thought my wife said Cheryl. My wife will be right down.

MS. RICH: Okay.

MR. HAMEL: I am in a long distance call and I can get off the phone here.

MS. RICH: Okay.

MR. HAMEL: All right.

[Noise]

MS. RICH: Hi.

MS. HAMEL: Hi.

MS. RICH: I'm sorry

MS. HAMEL: That's all right, we were up until 2:30 last night.

MS. RICH: Oh.

MS. HAMEL: Because of Alaska time, and he's on the phone on the fourth floor.

MS. RICH: Okay.

MS. HAMEL: This is gorgeous. Ah, he has to sign something?

MS. RICH: No. But I didn't know, you know if I needed to give this to him physically; there is a check in here. Ah, for some money and then the documents. I did need to come.

MS. HAMEL: Sherree, you are with --

MS. RICH: Ecolit, with Wayne --

MS. HAMEL: I'm sorry.

MS. RICH: It's okay.

MS. HAMEL: I know he said Sherree, muffin, muffin, muffin, where are you? Come on down. [Dog barking] All right, you have checked her out. Come on, come on. Good dog, down, good dog. Shh!

MS. RICH: He said he was on a long distance call.

MS. HAMEL: Okay, you did good. [Dog still barking] These are what, four stories?

MS. RICH: Most of them are only three.

MS. HAMEL: Kind of allergic.

MS. RICH: One story. It's okay.

MS. HAMEL: I am allergic to all dogs except poodles.

MS. RICH: Well, really. What is the difference?

MS. HAMEL: And .... because he got hair as opposed to fur. I am allergic to all furs.

MS. RICH: So you are allergic to cats?

MS. HAMEL: I am terribly -

MS. RICH: Cause, that will, like, really kill.

MS. HAMEL: Muffin. There are three different kinds of poodles. When we were going to get a dog for the kids. Ah, Chuck called an animal allergy hospital which is located in the National Inn [?] in Baltimore. And, checked to see that she hadn't been having problems with poodles that remain indoors, if the dog goes outdoors, and gets into grass and things like that, then I have got real problems. But, she told us, number one, stay away from the white ones, they have their own allergy, the black ones have too much oil in their, they have an oil problem and silver ones have an oil problem.

MS. RICH: Now the black, they have more allergies you say?

MS. HAMEL: The white ones have their own allergies, so you'd probably be allergic.

MS. RICH: You could get even more.

MS. HAMEL: The only kind she says is an... Apricot, to get, now that is the original poodle, is the Apricot. The others were all bred to become black or white or silver or whatever. And she said the, that the only dog your wife can have is the Apricot for a poodle.

MS. RICH: Now, that is neat.

MS. HAMEL: So, we'd never heard of an Apricot color poodle. We checked around and down in Williamsburg, a breeder that all she had, Muffin, go back and see Daddy, go up, up, up, up.

MS. RICH: Wow, that is neat.

MS. HAMEL: Up.

MS. RICH: That is a smart dog.

MS. HAMEL: Up, up, go see Daddy. Chuck will be down in just a minute.

MS. RICH: Oh, I'm sorry, I, you know I should have called...

MS. HAMEL: No, no, no. Some days we are out bright and early, early in the morning, I was... it all depends on what happens with all these phone calls.

MS. RICH: Okay.

[Noise]

MS. RICH: Good dog.

MR. HAMEL: Sherree?

MS. RICH: Yes, sir.

MR. HAMEL: Come on up. I got a bathrobe on.

MS. RICH: I ... stairs. I . . . the stairs.

[inaudible]

MS. RICH: Come here, pooch.

MR. HAMEL: Sherree, if your office gets as bad as this, I'd tell them that you've got a lousy office. If you got secrets everywhere like we have.

MS. RICH: This is great, just like this... I love it, I am just afraid that I'm allergic to dog, don't ...

MR. HAMEL: Oh yeah, but his is a --

MS. RICH: She was telling me --

MR. HAMEL: He is a poodle and she doesn't have dandruff and ...

MS. RICH: And he's a redhead.

MR. HAMEL: He's what? She's a redhead.

MS. RICH: An Apricot.

MR. HAMEL: Yeah Apricot, he doesn't have [eczema?], he doesn't have AHH... anything.

MS. RICH: Just want to make sure that everything is here. This is for you.

MR. HAMEL: Okay. Put on here, ah, "expenses". [Pause] How is your apartment situation?

MS. RICH: I am moving into one the 1st.

MR. HAMEL: Where?

MS. RICH: I decided where it's at. Where the office building is, well you go out two blocks down on the right, it's like a brick but it is kind of rounded, condos.

MR. HAMEL: Nice, you can walk.

MS. RICH: Oh, great.

MR. HAMEL: Does it have parking?

MS. RICH: And I get free parking because the lady messed up because she said free parking and then when I went back she goes, the parking is \$64.00 a month. I said I don't care, she said "free."

MR. HAMEL: How is it? Furnished?

MS. RICH: Furnished.

MR. HAMEL: How did....

MS. RICH: The girls in the ... The people who run the floor that we are on, they have condos for people that come out on a month-to-month.

MR. HAMEL: Oh, pretty.

MS. RICH: And it is gorgeous, new carpet, new furniture, it's a one bedroom; semi-balcony.

MR. HAMEL: The view is in which direction?

MS. RICH: I don't know exactly. The view towards the building, towards my the office, that area.

MR. HAMEL: And what kind of rent they are charging?

MS. RICH: \$2400.00

MR. HAMEL: Hundred.

MS. RICH: Aha.

MR. HAMEL: A month. [Whistle]

MS. RICH: Well, I am staying at the hotel and the price of staying at the hotel is more, so you really can't beat it. I got washer and dryer; dry cleaning; and - you know - kitchen.

MR. HAMEL: For a short term out of town, then you got to drive and if you do its, like, ridiculous.

MS. RICH: Normally, you can get a month-to-month, and if you do it's like ridiculous or more, then to get furnished, they'll tack on at least \$500.00. I mean, I've been calling everywhere. I was getting frustrated...

H: Yeah.

MS. RICH: One thing I wanted to tell you about these. When I made some copies for you today, our machine was messed up, so I had to go back through, so occasionally you will see like 14, 14, and it didn't make a 15 so I went in and put another 15 in. Like here, I know there's an example. 14, 15, well not that one, but, you know it'll do, it did a 13 and then a 13, so I went back and put a 14 in, and I found them, ....

MR. HAMEL: Did you have a chance to make these not back to back? Okay, no he was going to try to get them done not back to back, OK.

MS. RICH: I did some back to back and some not. I was doing back to back and that's when I started making mistakes so I quit.

MR. HAMEL: They're ... I mentioned to him, I have to put them back to back. Next time, tell him that it is easier to work without back to back.

MS. RICH: Next time tell me.

MR. HAMEL: We'll blame him.

MS. RICH: That's it.

MR. HAMEL: He has a set of all this?

MS. RICH: Um, I don't know, does he?

MR. HAMEL: You made, you gave him.

MS. RICH: I made two sets.

MR. HAMEL: Okay, but one is for him.

MS. RICH: Okay.

MR. HAMEL: Did he keep a set?

MS. RICH: Okay, I think that they, they were in there yesterday, so that is what probably he did before he left.

MR. HAMEL: Vern was putting all this in the computer so he must have already copied them.

MS. RICH: Okay, then that is what it is. Then it's already in.

MR. HAMEL: Is Vern still around?

MS. RICH: He's -- I don't know where he is right now.

MR. HAMEL: I mean ask him and ...

MS. RICH: Okay.

MR. HAMEL: ... make sure he's put it back, put it all in the computer.

MS. RICH: Okay, if not I'll call you.

MR. HAMEL: Then, one of these is for ....

MS. RICH: Now, see before Wayne left last night he was in there doing stuff so he might have made himself, if that what he was supposed to do, make himself a set.

MR. HAMEL: It would have taken him hours to do this.

MS. RICH: Now he...

MR. HAMEL: You're sure he has a copy of these.

MS. RICH: Yeah, I'm almost sure he does. I'll call.

MR. HAMEL: Yeah.

MS. RICH: If there is a problem, I'm only a couple of blocks away, I'll come back.

MR. HAMEL: Take this with you just in case.

MS. RICH: Okay.

MR. HAMEL: Now, tell, have a seat ... all the --

MS. RICH: I'll sit over here. I don't know, just you know.

MR. HAMEL: Boy, I won't be bringing him into the office then. I always bring him with me, so this will be...

MS. RICH: No.

MR. HAMEL: ... one place I won't take him. The, uh, he drives me crazy. You see him.

MS. RICH: He is adorable.

MR. HAMEL: A friend came the other day with their baby who is two years old. My wife was sitting in the chair over there and the dog, our dog kept getting in the same opposite position, just climbing right up on her he was so jealous. The baby was here and he was here, so then my wife got rid of him so he could play with the little bitty pacifier, and he went down four flights, found his box of toys...

MS. RICH: Came back with it.

MR. HAMEL: He hasn't played with this for seven years, when he got it when he was two month old. And, he had it in his mouth, he came up had it in his mouth, he recognized a .... pacifier, says, I got one of those play with me. Play with me.

MS. RICH: That's neat. I guess when I work so many times I have been like for two days dying, so I just get nervous now.

MR. HAMEL: I understand my wife, is got every kind of allergies you could dream off. I mean you name it, cats, dogs, she can't get near them, if she touches anyone's dog, her hands break out immediately, but so when she said she could be near Poodles, I said, white poodles, I said well, we are not going to get one because we have 2 children, I said what if we get it and have to give it back and can't, he gets attached. So it'll hurt. So I called all over the country and I found a dog dermatologist...

MS. RICH: She told me.. That is pretty neat.

MR. HAMEL: They are perfect. She said you could have this kind of poodle only.

MS. RICH: Apricot poodle, cause it's -

MR. HAMEL: The white have eczema and something else, the gray can have eczema and then you could get it from them. And the black poodle has oil in the hair. If they have hair. They don't have fur cause we have to cut it every month.

MS. RICH: Right.

MR. HAMEL: But the Apricot, the original poodle, and we got it from a good shop.

MS. RICH: That's [Inaudible]

MR. HAMEL: I was going to call you today. I don't know what, how, to narrow this down, but you know that Wayne is looking for anything to do with Gibson, Dunn and Crutcher. Because he's got a case against them. And that is what all this stuff is, to help us...

MS. RICH: Aha.

MR. HAMEL: I have located one case in Alaska of Gibson, Dunn & Crutcher and I am trying to get all the data on it, for you guys.

MS. RICH: Okay.

MR. HAMEL: Tell him that at the EPA there is a data bank. Now I know they give this out at, for example, region 10 has a data bank and it must be in its full ... here in Washington. How you could get yourself in there, uh don't know how that works ...

MS. RICH: It's working now.

MR. HAMEL: How you get yourself in there I don't know. To talk them into access.

MS. RICH: Okay.

MR. HAMEL: The data bank has every NPDES permit that's been filed that EPA gets involved in. And from there you can find who the opposing law firm was.

MS. RICH: Okay.

MR. HAMEL: This will be the mother lode for Wayne.

MS. RICH: Okay.

MR. HAMEL: He probably may decide not to go charging in and ask for it because then it is a rear up of confusion and you will never get in. You must have, we have different attorneys we can talk to. When he gets around to it we will talk about it to see how to get you in there with that stuff. Cause it will be the mother lode, for him. Cause all it means that you could get someone in each town could pick up the documents out of the courthouse.

MS. RICH: Right, okay.

MR. HAMEL: [Noise] Tell him I tracked down Carl Eller. [inaudible]

MS. RICH: Carl who?

MR. HAMEL: Eller. E-L-L-E-R. I want to get them together.

MS. RICH: Okay.

MR. HAMEL: And ... Oh, one other. Tell him that the Trustees for Alaska, their directors slash attorneys are going to be in Washington, September 9th, for five or six days. With [bell ringing], uh, all the environmental groups of Alaska

MS. RICH: OK.

MR. HAMEL: All environmental from Alaska who a lobby on OCS, offshore outer continental shelf drilling. If he has any reason you want to make contact with them...

MS. RICH: Okay.

MR. HAMEL: So your office is all set up?

MS. RICH: Yeah, looking good.

MR. HAMEL: Make some good coffee, I tried the coffee yesterday, it was good.

MS. RICH: Good. Okay.

MR. HAMEL: If you get into any problems whistle.

MS. RICH: Okay, and I was going to tell you if you need something or think of something else, call me at the office, I'll be in there this afternoon, and I got a bunch of errands to run this morning.

MR. HAMEL: This number you have for me is also the night number.

MS. RICH: Okay.

MR. HAMEL: I've got a lousy answering service, it takes forever to answer, you just have to let it ring and ring and ring.

MS. RICH: Hey, listen, by the way, if you every need to go out of town and you need someone to house-sit, call me.

MR. HAMEL: Okay. You can't get near the puppy.

MS. RICH: Take the puppy. I love it, it's gorgeous. Thanks a lot.

MR. HAMEL: I've been on the phone with [Inaudible] He just called me. We got a problem, and ah, [- Noise] he wants to give me some stuff but he's afraid they are going to kill him and all that kind of stuff, so he is very afraid about [inaudible] facing [inaudible] the pipeline, so he called me, ah, Friday, a couple of days ago and agreed to call me today - [inaudible].

MS. RICH: Good. Great.

[Noise]

MS. RICH: Thirty of them?

MR. HAMEL: Yap. I always wait for them to call me cause if I call them and something happens, they lose their job.

MS. RICH: Yeah, well, that's wonderful that you have these people calling you.

MR. HAMEL: You have a nice little car there.

MS. RICH: Yeah, nice, rental. I like littler cars, they are easier to park around here. Well, thanks a lot.

MR. HAMEL: If you, any problems, anything happens, my wife can [noise].

MS. RICH: Okay.

MR. HAMEL: Okay.

MS. RICH: Thanks, bye, bye.

[Noise]

[Sherree is inside the car driving off]

[Transcript reviewed by Investigator Rick Lund for content, 9/21/90, per note on Wackenhet's transcript]

**2791**

**F2R416511**

8/30/90: Exhibit 30. August 30, 1990: Meeting at Ecolit office

Prod. no.: Video, F2R400350; audio, F2R411029; orig. transcript, F2R411030-058; enhanced audio, F2R416178.

[Transcript based on audio track from original video, as enhanced.]

[Side 1 of audiotape begins]

[Approximately two minutes of nonsubstantive dialogue between Wayne Black et al., preparing for Hamel's arrival, largely inaudible]

MR. BLACK: OK, the tape's rolling. Today's date is the 30th. It's 10:15. My name's Wayne Black. I am posing as Wayne Jenkins. I am here with Sherree Rich and Adriana Caputi, and we're waiting on the arrival of Charles Hamel. We're gonna discuss with Hamel payments that we made to him, the attorney-client privilege documents that he has provided to us, additional copies of stolen documents from Alyeska, and our continued association in undercover capacity as we attempt to locate and identify other persons inside Alyeska that are stealing legal documents, if there are any other persons; or other persons stealing proprietary documents. I am going to run down the hall. One of you need to be in here when he comes in. If he does come in. I'll be right back.

[Hamel enters; several minutes of basically inaudible discussion follows.]

MR. HAMEL: Seventeen trillion [laughter] just [inaudible].

MR. BLACK: They're a client, yeah. This is their VIP suite.

MR. HAMEL: United Technology, the materials come through?

\_\_\_\_\_ :

We have to transcribe everything, that's the reason I wrote you a note [inaudible]. But, it's, the point is like even right now the point is it's like 15 more pages . . .

MR. BLACK: Thank you, Hal. Talk to you when I get back in town. . . . Answer me how you're doing. Is Tom Davidson still there? Tell Wayne I can only talk for a second. He was not at work that day. That could have come from the mother. 'Cause she talked to her. Yeah. Right. Well, you might have a hot one there. I just talked to personnel and he was not there. Short-term disability leave was the category. All right, it's all yours. I'll do it. Thanks. Just hold those, tell R.J. that I'm not getting those letters for dispatch. I called him today, did not give them to him, I'll call in a little while . . . she can put them all in one place. Thank you. No problem, OK, thanks.

MR. BLACK: He said he would be here in 10 or 15 minutes. I have no idea where he is. Rick, if you want to shut down for awhile or let it run, just let me know.

[Tape shut down]

MS. CAPUTI: Hi.

MR. BLACK: Meet Adriana Caputi.

MR. HAMEL: How are you? My pleasure. What was your name again?

MS. CAPUTI: Adriana Caputi.

MR. HAMEL: Caputi.

MR. BLACK: Could I trouble you to grab me one of those? This guy goes right for the coffee machine.

MR. HAMEL: They said you are created for it.

MR. BLACK: With cream and sugar.

MR. HAMEL: Yeah, no more coffee, you have to have decaf.

MR. BLACK: How are you, Adriana?

MS. CAPUTI: Very good.

MR. BLACK: We're just sitting here talking about....

MR. HAMEL: Where you from?

MS. CAPUTI: Miami.

MR. HAMEL: Miami is taking over here.

MR. BLACK: That's right, we're moving up. We're moving up. Let me tell you what Adriana does.

MR. HAMEL: What's the matter with local labor? I am an Alaskan and we like, you know, we call it Alaska hire. We don't like these outsiders coming in.

MR. BLACK: That's right. Well, we're bring in these outsiders. Adriana's one of our people, that, she's the Sherree of Miami. She runs the office down there, pretty much, and we stole Adriana from a law firm down there. A big law firm, Goodman & Goodman, down there in Miami. So we've known Sherree three-four years, and she also does our video stuff of.....

MR. HAMEL: Video depositions, you mean?

MR. BLACK: Yeah. Nasties and dumpings and problems and things like that. So she.....

MS. CAPUTI: I get all the fun ones.

MR. BLACK: She spends a lot.....

MR. HAMEL: You didn't do the one at, ah, Sailfish Point, did you?

MS. CAPUTI: No.

MR. HAMEL: 'Cause that was my apartment house you guys caught dumping.

MR. BLACK: Yeah, yeah. That's right.

MR. HAMEL: That really grabbed me. I was questioning who he was and what he was, when he started telling about that one in my apartment building.

MR. BLACK: Yeah, yeah, that was Gary, that did that one.

MS. CAPUTI: Oh. OK.

MR. BLACK: I'll never forget, this guy puts in, just to be funny, put in an expense voucher for suntan lotion. Because he was out there for so long, and what he did was, he set the camera up on the front seat of his car. He got out on the hood of this car and put some suntan lotion on, and so for a joke he writes down, Coppertone \$4.95.

MR. HAMEL: Good for him.

MR. BLACK: These guys are just. You need anything else before you run on that other stuff?

MS. CAPUTI: No, I've got everything that I needed.

MR. BLACK: The main thing is that we need him at ten, you know, tell him to be there at nine. We need me him, just, would you make sure that everybody has their travel tickets and things issued. And call those people back again just before they're supposed to be there, you now,

call them the day before, and say, OK, don't for tomorrow you're going to testify. And tell we'll try and get them in and out as quickly as possible, and give them the lecture about what the judge does, and recesses we can't control, and all that....

MR. HAMEL: Four days later they're still waiting.

MR. BLACK: And tell 'em we'll give 'em peanut butter and jelly sandwiches.....

MS. CAPUTI: Peanut butter and jelly.....

MR. BLACK: Out in the hall.....

MS. CAPUTI: We tried that the last time, Wayne. And we have to upgrade to bologna sandwiches this time.

MR. HAMEL: You got it.

MR. BLACK: All right. See you guys later.

MS. CAPUTI: All right. Nice meeting you.

MR. HAMEL: Be good. I'll see you down in Miami.

MS. CAPUTI: Yes. I hope so. Unless I see you first.

MR. HAMEL: And I'll see Sherree back here. You know we don't allow Sherree to come down....

MS. CAPUTI: Cher, Sharon, whoever.

MR. BLACK: We don't allow Sherree to come....

MR. HAMEL: Sure is funny when you said Sherree but I understood Sharon. Someone's at the front door named Sharon, I was on the phone, Kathy was doing something.

MR. BLACK: Sherree. Oh. [one word inaudible]. We'll call her any name you want.

MR. HAMEL: The dog barks.....

MS. CAPUTI: You can remember Adriana, though, right?

MR. HAMEL: Oh yes. A d r i a n -.

MS. CAPUTI: Adriana.

MR. HAMEL: Fran<sup>ç</sup>aise or what, French or...

MS. CAPUTI: Well, yeah, my mother is French, ah, my father Italian....

MR. HAMEL: Well, I got that.

MS. CAPUTI: You got that right. So.....

MR. HAMEL: I figured it was.....

MS. CAPUTI: Fifty-fifty.

MR. HAMEL: Right there between Marseilles and, ah, the coast there, they married, Italian and French married -

MS. CAPUTI: Um, uh..... Yeah, so I'm half and half.

MR. HAMEL: Bye, bye.

MS. CAPUTI: Bye, gentlemen.

MR. HAMEL: Take care. See ya. How are ya.

MR. BLACK: Great, how about you?

MR. HAMEL: Well, I am slow. Got a hair cut?

MR. BLACK: Yeah.

MR. HAMEL: Got your ears lowered since the last time I saw you. I am slow but I get there. I am a tortoise on some of this stuff, but, ah, just gorgeous [inaudible] with the patience I have with some of these guys. It takes a long time to get someone's confidence, but once you get that confidence everything starts coming through. So, how are you. You must be tired running back and forth. Candy [Kathy?] says, his eyes going to be half-mast again? I say, I don't know. Depending on what he did last night.

MR. BLACK: Probably. Yeah, I got in and, ah, went to sleep. Got these things rolling in the computer. These documents, and ah, they're incredible.

MR. HAMEL: When you gonna get the rest of them now? When you go get the NPDES stuff on 'em, ah, you can find nationwide, anywhere and everywhere, since I know now that they're doing NPDES in Alaska. From the guy's memory all right. It wasn't Alaska, it turns out. Call for it and the guy with the Trustees for Alaska. Can you dig that one up for me? Oh, he says, did I say Alaska? No, what I meant is, back in New York state before I came to Alaska, I saw one. So

that's why I thought, shoot. He said, well, wait a minute. He says, you go look and, ah, at that data bank. First of all you got to fight your way in.

MR. BLACK: Yeah.

MR. HAMEL: I don't know you get your boy in, but ah. You find some excuse to get in there.

MR. BLACK: We'll get in there. But you understand the difference between those permits that they file publicly and this, our attorney-client stuff? This is, I mean this was, this was incredible stuff. Have you heard me, speaking of which, I've got to ask you, it's killing me. Anything from, from, ah.....

MR. HAMEL: She called me yesterday. Her husband is at sea with their boat coming from Hawaii and their child's sick. I don't know what the hell's going on. She's madder than hell and she's looking for another job, ah, and ah, a newspaper editor, this is a newswoman in Tacoma at work now at Olympia, Washington. Editor just cut an article [inaudible].

MR. BLACK: The newswoman has a source yet inside?

MR. HAMEL: [Inaudible] all over the place.

MR. BLACK: Ah, that's great.

MR. HAMEL: Personal friend of hers up in Alaska, and, ah, and she just, ah, while that person was on vacation she made a call some time ago, but like everybody else she's running too.

That night I went over and stayed there. She called me in between just to complain to me that what her editor had done to her article, whatnot. Like, by coincidence, I had put her together with Ballantine, because she needed help on \_\_\_\_\_ oil spills and when the editor cut it from 60 to 40, Ballantine got taken out, and she spent hours with him. The reason is, her editor in Tacoma knew the [editor at the] Tribune \_\_\_\_\_ ah, the Sierra Club and Greenpeace and all these known organization contributed a lot to them, to the story. Which wasn't them at all. They were sending them to Ballantine 'cause Ballantine knows that part. They don't know. But who is Ballantine, so, the editor oh, she was so mad. She calls up, I am gonna quit. It was a two-part series and whatnot. She hadn't seen the next day yet anyway. So funny because Ballantine calls me ten minutes later and says to me, boy, I have my attorney and we're sending her a bill for my four hours. She's gonna pay for it. Because when she picks my brains and doesn't, and she mentions me

one time in a little side bar, which says I was a vigilante, and he was madder than hell. I says, well, relax. Call her. Call her. Don't do that, call her, you know I told you you can trust her and she's upset about the article. I knew I have problems. So he called her and yesterday he called me back and he says, nice lady. You're right. You know, I can trust her. I says, well, what's happening now? He says, well, she's gonna write an article about me, which I had asked her to do in the first place. A feature article. About what he's accomplished, what he's done [Sound Watch] and whatnot. It's a hell of a story. Because it's Puget Sound, you know. And it's [inaudible]. So \_\_\_\_\_ normally wouldn't bother because of this vigilante thing that her editor made her put in there, she says. And he sent her a faxed copy of the dictionary definition of "vigilante," which is, you know, take the law into yourself, and all that kind of stuff. What he does is identify things delivered to the government, Coast Guard, wherever it is, the agencies, and says here's what we found, now do something about it. Anyway, the funniest thing in the world. So, but I talked to her each time she called it was something like, or her husband, she wanted me to find him crewmen for her husband. He was short one crewman in Hawaii. I had to give her some names of Alaskan people that I knew would go. So, anyway, I keep, I didn't want to push her and say, hey, what's your hurry on that, but I forgot. I'll get her to speak on \_\_\_\_\_ that this weekend \_\_\_\_\_.

MR. BLACK: OK.

MR. HAMEL: We'll get it. Takes time. People are on vacation too, everybody in Alaska is going.

MR. BLACK: Anyway, these are, here they are back to you? Let me shut this whining printer off.

MR. HAMEL: When's Vern coming back?

MR. BLACK: He'll be back next week. Either he, or the other guy. He or Rick will be back.

MR. HAMEL: They tried using, ah -

MR. BLACK: Yeah, they have. They have and they want to sit with Ewell or Rich and talk about it some more. But so far they like it. They say it's a little difficult, but they really, I am sorry that they missed each other. 'Cause that's really the whole thing.

MR. HAMEL: The, ah, it isn't difficult once they sit down with them and help 'em. Secondly, they're gonna be, they're gonna be real ecstatic to hear you and a lot of the superfluous crap that we got in there. Languages and all that crap. We need Russian like they need a hole in the

head in the middle of everything. You know, what language am I, Russian, Arabic?

MR. BLACK: The other thing we want to do is if they put in, I saw a requisition for a WORM, the other day, ah, to expand the memory. You know what that is?

MR. HAMEL: Yup. ROM is read only.

MR. BLACK: Yeah. Write once, read many. So you get these little disks and they'll put it in that and, of course, everybody will \_\_\_\_\_ we love it. 150 megs on one little disk, and we're gonna get a bunch of 'em. So, we're gonna be equipped to do anything we want to do with regard to ReadWare.

MR. HAMEL: What you been up to last week?

MR. BLACK: Just been running around. Putting out fires.

MR. HAMEL: I wish I was your age and doing that again, I used to do that when I was younger.

MR. BLACK: I don't fell like I am young being, I am whipped.

MR. HAMEL: I used to jump from country to country like a yoyo for fun. Well, the, ah, a couple of things I wanted to run by you. I had a problem with that Florida matter, because my captain was too deeply involved in it. And, ah, you kept putting the finger, like to stop things as opposed to just identify past things except [inaudible]. Ah, so I, ah, he's been away and, ah, and, ah, I told him how important it was overall, and I did what I had to do for him while he was away, and his whole, what he was talking to you about, he was just crying to me, he wanted to cry about how dangerous it was on the ships. And how bad things are, etc. Somebody's got to do something somewhere. And he tried to reach Miller and Miller wouldn't talk to him. Well, well, I had him finding somebody who could deal with my -- and my Florida crisis. I had the chief counsel of Miller, that is, his committee. Who didn't have time for the guy when secretly called in and blow the whistle -- And then the chief counsel in Cordova, my country, he likes backpacking, that's why I took him to camp and all that stuff. So, and I told him I had been to Alaska up there and I think that's where we and his wife had been on vacation. And, ah, on the arrival Riki Ott was waiting for him, she got off her boat and started fishing and whatnot. Took care of him for a day. Took him out, out to the reservoir, camping, hiking and whatnot. The next day Rick Steiner came back in town, and he stayed at Rick's house and Rick's girlfriend. Big difference. My son's van was there, a sleep

van for them, and, ah, they took them kayaking, they took them over Prince William Sound by -

MR. BLACK: Was this guy Percy?

MR. HAMEL: This is, ah, Jeff Petrich.

MR. BLACK: Jeff Petrich, I know.

MR. HAMEL: And then they took him, ha, other friend was there with his little yacht that he bought to take Jacques Cousteau's people, whatnot. An old fisherman type. He's just the stupidest guy you ever met. Ah, an old philosopher type. Wears sandals all the time etc. Cold weather, but anyway. So he takes \_\_\_\_\_, and they let me know him and like him to so before he comes down here to testify. So he's waiting for 'em, pushing his family off his boat - visiting. Find a place for them and takes them out on the yacht. Fishing and this old, old wooden yacht, ah, they're architects so he and took 'em to the areas where there still wasn't [inaudible] by plane. And then they took him, with a friend, all these friends with airplanes, of course, ah, float plane, guide ah, big wheel plane. Took 'em out to one of the islands to a Forest Service cabin. Forest Service ranger has a cabin. And they landed, boat tied on the gravel beach with this airplane, dumped them off for three days there, and it just, \_\_\_\_\_. I mean, you know, you only have so many days to do something, but when Petrich got word about his trip. I kept saying, relax. It's gonna work out fine, you know. Anyway. So while he's that way, and I am talking to him about my problem with the captain, and he was telling me, you know, if you can relay it to us, of course I'll do something. If not, I'll put you with somebody else. I don't want to be with anybody else. I'd like to stay where I am at. So now my captain comes back, and I told him what I have for him. I explain Ballantine to him, and that Ballantine is prepared to go work for \$1 a year, for Miller and their Committee. And I used to run a Senate office so I, twice, I understand [inaudible]. For \$1 a year. Miller has no money. He goes to the committee but it's too complicated. But just like I put up the money to go - with Chris that legal. Ah, the guy I'll be paying [inaudible] ah, I deal with Ballantine on some of this stuff when I get my money from Exxon, which is about three or four weeks or more. Ah, and I got a loan coming in from my apartments up there, so I can take care of it. So what he'll do, Ballantine will go with Miller to the ship as it's, first the ship comes in lightering, and everybody's frenzied, work, work, work. Then it hurries up, ah, after lightering, up to do the dock. We'll go take a ship that my captain is not on. But by the time we do this he'd be back at sea out there, so we'll make sure it's not his. So the captain is gonna talk to Ballantine on a three-way phone conversation and tell him what to look for, Ballantine, the

bosun and the mate at the same time. He's served on some of these ships himself, Ballantine, so and so.....

MR. BLACK: This is at an ARCO ship out there?

MR. HAMEL: Exxon.

MR. BLACK: Exxon ship.

MR. HAMEL: And going up to Benicia refinery. I meant to bring the maps. It's really cute. Benicia refinery where the whole thing focuses on is, is when this guy was calling Petrich, Petrich didn't know he was working on the Benicia refinery, he thought he was talking about Florida. So it turns out that, that he never dreamed of doing what I want to do. He only wanted to, pay it back for Florida. And so anyway, it's so funny because he's gonna tell Ballantine what to look for. Ballantine went out twice to sea when he quit, because of the, ah, of the Seafarer's International Union sent him out. He's an officer of the union. And sent him out as a safety inspector on a couple of ships. It just was so bad that things had to be cleaned up with the guys. And he understands what to look for, the guys told him. Most of these guys he served with at one time or another, as a bosun, not just an, you know a bosun is top of the deck.

MR. BLACK: Umm uh.

MR. HAMEL: So then he. I told the captain about, I usually don't tell people about him, but Ballantine is openly working for him. So I told him about him about him. He says, oh yeah, he was on the *Exxon*, the *Exxon Juneau*, no, *Overseas Juneau*. When she hit the dock. I said yeah, that's why he got off. He went public on it. Said the whole thing, they're all overworked everything maintenance was missing, whatnot. Oh yeah, nice guy, all right guy. I said, well, that's who it's gonna be. All right. He said, what I'll do is I'll tell him everything to look for. The things he'll find himself without me. But anyway I'll tell him everything to look for. And the deal is this. If Miller doesn't do this for him I'm going to shoot him, [inaudible] anyway.

MR. BLACK: Does Miller know about this yet?

MR. HAMEL: Yeah, Petrich knows that I got something going, and Miller's people, ah, PR guy knows it, I got this whole idea for them for the campaign. And Miller and I. You remember the *Exxon Valdez*, don't you. [Hahn?] says I orchestrate the hearing, Miller keeps saying I am pretty good at this stuff, and all my information is always perfect, he says. What I want Miller to do, and you'll love it when I tell you. Ah, that is the time frame.

MR. BLACK: Oh.

MR. HAMEL: Miller is out campaigning pretty soon. And while he's campaigning he'll tell the Coast Guard, I want a tour of the harbor. Really. You know the Coast Guard will salute and all the 42-footers sitting [inaudible], you know, and wherever he wants to go, go see. And it will be arranged at a moment's notice, he'll call and whoever's the duty officer knows already the campaign schedules is tight, so whenever he call, go. And Miller and his assistant want to take a tour around this and okay and the press man the photograph man, whatnot.

MR. BLACK: And the assistant is going to be Ballantine?

MR. HAMEL: Yeah. Several assistants. His PR guy his, ah, you know they always go in entourages, but Ballantine is the expert on the committee. The committee person. And then, and he'll have official government identification. Then he goes to ah, the minute we know that she's finished lightering, and she on his, her way up, it takes hours to dock a boat, you know. So what they'll do is, Miller will then get on the 42-footer as she's about docking and he'll get into port and say, what's those, that tanker over there that's docking over there. Well, why don't we go to that one first. Just come alongside of 'em, go up the gangway ladder, and, ah, the mate is gonna be in 20 directions to the captain, everybody busy, a just look around and Coast Guard and do an inspection. And the Coast Guard guys don't know what to look for, and never will, don't understand. Identify it for 'em, and they know \_\_\_\_\_ that's wrong, et cetera. For example, one of the boats has no fire/water system and they use it for moving oil around now. And instead of having fire/water system in here they fix the fire/H<sub>2</sub>O system and they're moving oil through the fire/water system, it's got oil. Comes to a fire, you're putting water through the oil to the fire. Anyway, that kind of stuff is all illegal. The Coast Guard wouldn't know how to find it. They know it's illegal, wrong. Talk about if that thing ever blew up in the port, in his port, and it had no fire/water system, then you can explain later, well, it's one of those things that happen. So what Miller will do is, he'll hardly stay in the boat for half an hour, but the worst things will be found immediately. A couple of bad things will be found like that, and Miller is gonna say, what does that mean? And the Coast Guard is guys \_\_\_\_\_ this is a big problem. Then Miller's beeper is gonna go off and just say, gees I got to go, ah, another meeting, but I'll leave my assistant here, and you Coast Guard men, you stay with him and I'll go ashore through the gangplank and I'll go home. I am gonna do my thing, and just leave 'em there. And while they're discharging these guys will be, they'll look at the log, how many hours the guys worked, everything that been wrong at the *Exxon*

Valdez, everything the NTSB reports said, it will be right there again. It's just that way. The guy knew who Ballantine was, of him, and heard about him because the guy...

MR. BLACK: You mean, you mean -

MR. HAMEL: The captain.

MR. BLACK: The captain. This is your captain, is gonna be on that boat? Is that gonna be his boat?

MR. HAMEL: [Go on purpose?]

MR. BLACK: So he'll be off that boat?

MR. HAMEL: He'll be on another. There's a bunch of boats going up there all the time. He knows each one of them intimately. And Ballantine served on some of them, so, ah, we'll pick the one that he picks for us, and we'll do it.

MR. BLACK: Ballantine knows about it?

MR. HAMEL: Yeah. He loves it. Already.

MR. BLACK: He'll get the \$1, whatever it is, a year from now,

MR. HAMEL: And I'll make up to him later his time, whatnot. And, ah, it's really something [inaudible]. That takes care of the captain. Now the captain knows I spent a lot of time and effort, troubled him a lot, and dreamed up how to do it. He never dreamed this could be done. All he kept saying, was wrong, wrong. He'll say identify this as a bad thing in Florida and somehow -

MR. BLACK: Is this the same captain that did the oil drums -

MR. HAMEL: In Florida.

MR. BLACK: Is, my, the big question. The thing that is gonna put it all together, is Petrich gonna be able to do it? Will he do it?

MR. HAMEL: He'll do the California one. He won't be able to do anything about Florida.

MR. BLACK: Right. But you think he'll be able to convince -

MR. HAMEL: Absolutely. The only think that could go wrong is timing, you know. The ship's there when Miller's back here in Congress, or he's there and scheduled to give a speech and can't make it. But he'll pull it

off one way or the other. I want this dramatic way with Miller himself. Miller could pull it off by just saying, I got my assistant, I want him there, and the Coast Guard show him around, and do everything the same without Miller present. But I think it has more pizzazz if Miller show up. And that's all, and Miller will do that only if the schedule permits that day and whatnot. 'Cause I can't picture the time and hour that it will be done.

MR. BLACK: What kind of guy is Petrich? You mentioned that he was outdoors. Petrich is an outdoors kind of a guy?

MR. HAMEL: He's an outdoors kind. And he's been, lived in Alaska. He campaigned in Alaska many years ago, and his uncle lives up there. That's why he went up. And, ah, he campaigned for a guy who beat my Senator. Ah, Petrich, when his boss becomes chairman of the Interior Committee, which he will. The full committee. Ah, as soon as Mo Udall quits. Mo Udall has Parkinson's and 20 other diseases. He can't walk.

MR. BLACK: Yeah.

MR. HAMEL: He can make it to the podium hardly. And he still, perfect brain, but body's gone, and ah, with pneumonia spent six months, six weeks in the hospital not in too good shape, with pneumonia. So he wasn't supposed to run again, the family. But he decided to run again and he announced last time. Now if he dies, this week, November 4th he'll still be elected. Arizona and Mo Udall. So Miller in the meantime is chairman of the subcommittee, which has to do with Alyeska, Interior, Lands....

MR. BLACK: Yeah, I'm familiar with his committees.

MR. HAMEL: So what happens is Petrich has got no staff. Zero. Zero. No secretary, nothing, he uses whatever secretary in the office can help him. There's a girl whose name is Sharon who helps him out as much as possible, in the full committee. Ah, the day Udall dies Miller becomes chairman of the full committee. Petrich will be chief counsel of the full committee, and he'll have, full committee of like 40 employees, and Petrich will have 5 assigned to him alone, at least. It may have a \_\_\_\_\_ effect. It's a long term for you all. Keep the rent paid until then. There will be things you can do with him because, ah, the problem you find, when you understand Petrich he's easy, but most people don't understand him, any guy that doesn't have staff, does the work of five people, they got the [Tongas?] National Forest, I mean they whipped everybody on that and it's not even their area. Against the Congressmen and Senators of Alaska, they're all bought and paid for, and Miller beats 'em in their own backyard. \_\_\_\_\_ The [Tongas?] Forest, on the *Exxon Valdez*, a

host of legislation against their committees. And, he just does it. And he's become. We got bumper stickers for Alaska, "George Miller: Congressman for most Alaskans," floating around during the campaign. Just for fun. But anyway, ah, so Petrich is very uptight. Very, very short to people. He's just impatient, and if his mind's on something he's very hard to get to. I've have, because of what I did for him, in those hearings. I mean, it was out of sight. Ah, everything I did for him. Delivered the people to 'em. Didn't cost him a dime. At the time he was up in Anchorage preparing the hearings. He sent a Federal Express back to Miller of the interviews he had with each of the top people, Exxon top people, Exxon Alyeska that I had for him. That I flew in to Anchorage for him. And he caught hell from the full committee, ah, an administrator was sending across Federal Express package.

**MR. BLACK:** No.

**MR. HAMEL:** Interesting?

**MR. BLACK:** Well, they don't have a big budget.

**MR. HAMEL:** Well, but see, at the same time you'll find that Petrich, I have a deal with him. People are trying to see him. I fax stuff. We fax to each other everyday. I fax a message to him \_\_\_\_\_ so I don't have to talk to him. When you know someone that well you don't have to talk to him. When I know he's uptight and really climbing the wall, I usually have he and the wife over. And we either eat at home with someone like Ricky, who he likes. Rick Steiner. We have no time to spend with him like he wants. So we just have dinner at home. And then his wife has to pour him into the car. He's not an alcoholic. He doesn't drink except have a beer or so with us all the time. But on those nights I always have my \_\_\_\_\_. He pours it and while he's talking his wife sips it up and drinks it, and she doesn't want it. But she figures she drinks it up. And it's all empty. He pour so far anyway. And we pour him in a car and send him home. But it really unwinds the guy. I do the same thing with Rick Steiner when he overdoes things. Just, it can break you out, same thing, I lock her up for a day. These people work at such a pace, and they do it to themselves. So anyway he is real close, and and -

**MR. BLACK:** Sounds like it.

**MR. HAMEL:** -- and as long as I don't, ah, I don't want any problems. What I want is things that I want he wants. So we get along real well. And, ah,

**MR. BLACK:** Does Exxon know that you're close with him?

MR. HAMEL: Well, that's where Alyeska told everyone of their employees that Chairman of the Board, I mean the President of Alyeska, that the first time he met each and every employee ever at a news line few months back. Ah, told them that Miller was trying to shut down the pipeline, not true, and that he, ah, he does this on behalf of Chuck. And that Chuck Hamel and Miller were seen twice in the corridors holding hands together, I think I told you this story. Every employee of Alyeska knows that Miller may be queer and I am queer and with him. Ah, the, ah. In the wake of the *Exxon Valdez* they say that I orchestrated Miller's hearing something like a Jewish wedding; I forget what she wrote [laughter]. So we, ah long-term I think your gonna have a lot of fun with it. Because it, the environmental community gets to him, and are close to him. But they can't react at it like I think you and yours as a small organization. And the environmental community, ah, they, each one has a little piece of this. If you're coming over here then you better check with this environmental community, you know. If you're down in Florida, Sierra Club can't do anything, it's a great thing up north but the Sierra Club down there [inaudible], you know. You don't have that, yet. See, when you get to be huge you'll have the same problems as everybody else. So the areas that you might find to be fun that you bring to him and he'll work with you, 'cause he has subpoena power all the time. There's a lot of things he can do.

MR. BLACK: Yeah.

MR. HAMEL: And, ah, that committee used, ah, under oath, for the *Exxon Valdez*; the first time that committee has ever used the oath. Everybody's under oath. First time? For how many years? That's a hell of a big difference. Although everybody lied to them, but at least, they were all pretty nervous, no one, even though a lawyer, likes to be under oath in depositions or whatever. So anyway, that's what's happened from it, though, is the captain did a little bit for me to now, 'cause he's, I talked with my link with him, said that he really, he liked his vibes. He said he had good vibes with you and he liked you and all that kind of stuff. And I think what made it for him is that the two phone calls he wanted to make, I told him not to make, 'cause somebody could relay back to him. So I don't ever want make any phone calls, ever, on anything in doubt that he's wondering on. Tell me what you're not sure of, and I'll go find another way to find it. 'Cause you can give me directions where to go find it. So that's what we did. Turns out that he, ah, ah, he was up and putting together one of these ships for the Navy and trying to put all of the reserve laid back in to 'em or to see, get and got hired while he's off duty, with a bunch of other guys who put these ships on \_\_\_\_\_ the \_\_\_\_\_ even though they won't go to sea with him. So the guys going to sea, and just get on and go. And he tracked down a

guy who is his counterpart on a ship that carrying the oil out of Florida that his ships no longer carry. Remember, they, last November they sold the ships, but they chartered in other ships to carry it. And first mate on the ship is discussing with him how, the two of 'em was joking how they could write a book. And that's how he got the guy into the conversation. They could write a book, the two of 'em. On how they've been dumping off the Florida Keys. And so the guy, he says, -- so I am going up to meet with 'em next week. And, ah, I told 'em I had to go see my mother again, OK to spend the day together now this time.

**MR. BLACK:** Meet with the same guy?

**MR. HAMEL:** -- So he'll be my captain and he's gonna tell me all about the ship. He just got all the details from 'em. Who the people and then --

**MR. BLACK:** No.

**MR. HAMEL:** -- and from there, I got to find that guy to give me somebody who quit that company again. But there Ballantine comes in. He knows more guys in the merchant fleet.

**MR. BLACK:** Do you think they're doing it now?

**MR. HAMEL:** That was the point. The new, the ship that was chartered in, that's what I wanted to know.

---

[Side 2 begins]

**MR. HAMEL:** Like I said, we had move on that because, you know, a year later is a little late, is better than nothing, within, by November. I want to be able to say that within this past year they did it. But I kept wondering, who's doing it? And the ship that was doing it was sold by Exxon, is on another business. So it didn't dawn on me what's it cost to go find out who, what, where, and how. And I didn't want to press him. I really, I wanted to gain his confidence before I pushed him with anything. So while he knew what I was doing. Trying to do this thing for him with Ballantine and everything else. He thinks it's just unbelievable, I could do something like this. Oh, because ultimately, what Miller's gonna do, Miller asked, and got the task force of the pipeline. Presidential task force. And the sea leg of it was taken off by the Merchant Marine Committee people. The sea leg was cut off. Now my argument is, when he does this, and he sees the horror, then the sea leg, he will first of all approach the oil companies and suggest to them, do you agree that we change that thing to include the sea leg, or do you want legislation, and do you

want me to bring this up? Because this is unbelievable and I want the sea leg first. He'll start screaming he wants to see the sea leg first or a separate bill he'll do in Congress right away. I mean when he starts swinging, you know, he's six four and everybody trusts him in Congress on these issues. Whatever he gets into he is, ah. When the spill occurred and I was up in Alaska, and I was madder than hell 'cause Bush wasn't doing much and I called Kathy, Kathy called Tom Foley. Called and said, hey, Chuck's up there and Chuck's uptight about the Congress. Nobody seems to know what's going on. So, he says, Well, Kathy, don't worry. We got the guy we trust the most on this subject, ah, George Miller. Not, not Senators from Alaska or Congress he says, he says there's a Congressman named George Miller. And he says, he is up there and he is really gonna, Congress is gonna follow him on this one, believe me. I'll know more about it when he gets back and I can tell you that, you know, tell Chuck that you're not forgotten out there by the House. We do have a guy [inaudible]. So Miller's in Chuck's house [inaudible]. He says, well relax. Kathy goes knows Foley like that. She goes back to, ah, they were in Congress together as young kids. They were going through Congress, ah, working for Scoop. They both came to Washington schools, that kind of stuff. But, ah, so anyway, Miller, this captain rather, ah, is very happy. So he went out and he found what I wanted. And I told him it was important. And I find two things. One, my Alaska bound crud and my, ah, the Miami thing, I says is important.

MR. BLACK: That's great.

MR. HAMEL: And two.

MR. BLACK: So he thinks it's going on right now?

MR. HAMEL: He knows it is. I talked to him last night. First time I was able to get 'em. First time I've gotten him since I've seen him. I haven't been able to talk to him.

MR. BLACK: That's incredible. Who owns the ships?

MR. HAMEL: It's a, ah, it's not Exxon. It's a, ah, ship-owning company that charters the ships out to Exxon, and the point that you're gonna appreciate, is the refinery is making the ship do what it's doing. Now you saw the other day where Exxon -

MR. BLACK: Whose refinery?

MR. HAMEL: Exxon's. It the same, everything's the same. Exxon's refinery it had let me to go the charts.

MR. BLACK: Yeah, go ahead. And you can, in fact I just, we just went through that so you can erase that. Take the eraser and knock that green stuff off.

MR. HAMEL: Here's your Texas refinery. Your Florida. Their boats go Port Everglades and Georgia. That's a short haul. You know they work 24 hours a day. It takes them hours to do this, hours to do that, and hours to do this. So, the problem is, if there's something wrong with that refinery. They've got a water problem that just doesn't stop, and I am old water man, - I lost my whole deal on that one. And they're putting out product with water. Jet fuel, kerosene, whatnot, and you know how it goes up to the towers and that kind of stuff.

MR. BLACK: Yeah.

MR. HAMEL: So, ah, normally you got to settle that in the tanks. Settle that water out. And then load it on a tanker. To save money, just like in Alaska, they're sending it out with water, and they're making, it's their own terminal, some is their own terminals, some is other people's terminals. I think this one is their own terminal. So.

MR. BLACK: Where's that one?

MR. HAMEL: Port Everglades.

MR. BLACK: That's in Ft. Lauderdale, OK.

MR. HAMEL: And so, ah. They don't want the water when it gets here because they get an NPDES problem. They got to separate that water. And this guy's profit center is hurting. He gets water.

And he's getting 100, 100 oranges but one orange is water. So you end up with 99 or less. So his profit center is affected, so he doesn't want any more of this water. Plus the cost of getting rid of it. Plus, you know, the permits stuff like that. So he doesn't want any part of it. So what happened to my guys. The captain and my guys. Is when they first arrived with the first run with this stuff, dumped it, and dumped it, and come back. On their way back they get this telex from this guy. He'll never allow that ship back in his port. That crew screwed up and gave him pile of water, and they did something wrong and you know, mishandled, this ship and water got into it. And they said what the hell you talking about? They raising hell with this guy and they got caught because they started talking to the other ship guy. They talk to each other all the time, but they didn't know. These ship guys. Called the other ship and you know, what the hell's going on? Private little conversations all the time. They're all catching hell with this water and the mates are catching hell and you get enough hell, you're not gonna be called back.

You'll be delayed an extra six months before they take you back or Larossi doesn't call you back. So what he does was, they all say we got to do something about this. So that's when they decided to dump this stuff at sea, on their way.

MR. BLACK: This is the barrels.

MR. HAMEL: No. The barrels go with 'em, but this is, ah, in your oil, in this case, jet fuel, kerosene and whatnot and fuel oil. The bottom of each tank, in the tanker has water. A lot of it. 'Cause they're shipping it with water. Now when they load it in the boats it's mixed, it's emulsified, but then it separates out. Six to eight hours. So what they do is when they get to the terminal, they empty from the bottom. This is where the spigot is, down here.

MR. BLACK: Yeah.

MR. HAMEL: So they empty it out. And that water goes ashore and a few hours later this guy stuck with this and this guy's madder than hell. And the refineries say, it's not us. So these guys, nobody's looking after their interest. So they decided, OK, we're gonna start, the refinery says, solve the problem. Everybody says in the company, solve the problem. The shipping department. So they start unloading at sea each tank from below. That's the only way you can do it. So they, the, the pipe goes like this and there is another one that goes ashore, or in this case over the side, at night time. And it just happens to be around here. Somewhere around here in the night run. Now when they go over the side, how do you know when you run out of water? You get product. The product goes over the side. OK. You turn off, disconnect 'em, it takes time to go over, you forget it, you, you know, you got other things so, OK, looks like this tank is now into product, so you go turn the valve off. Meanwhile the other one is still draining until you turn that valve off. Meanwhile, the only way you know is when you hit the product, OK. Now, from your point of view, what's in the water? The water is loaded with benzene, toluene, xylene, aromatics, which are, kills fish, it's bad stuffs, kills humans. It's illegal, OK. Now, you're gonna say, you find this hard to believe.

MR. HAMEL: Don't drink that oil there.

MR. BLACK: Yeah. You're gonna find this hard to believe. That this kind of operation is required by these companies. It turns out that one of Ballantine's operatives works for me, trying to find what's in that tank that ARCO has that goes to the ships, that goes to Alaska. Hardin [name] at the refinery. He's an ex-seaman, who, these guys are sand watching [stand watches?], it's all a very fun thing. They're off duty. And they charge them \$100 a day for the day, and now he's cut it

down to \$50 a day because the guy says, well, what the hell, the refinery is paying me. And he's got a job as a roustabout, at the refinery in L.A. The guys got these miniature, these new miniature Niki, Nickee, whatever these new celluar, that fold up and fit in your pocket.

MR. BLACK: Oh yeah, the Motorolas, yeah.

MR. HAMEL: Yeah. He's got this little one, and he apparently he lives right near by and it's this antennae anyway, so. He's got this in his pocket and he's phoning in all of his reports from there, and I keep saying, Jesus, you know, what the hell. So instead of going back at home on it, his problem was, he's looking at the tank ports, OK, all big tank farms, huge tank farms, supertankers coming all the time. And this one tank has got, what he knows trucks have come from the wrong, other places and dumped into this tank, they dumped into this tank, it's crud. And he understands that this is what goes back out in the ships, but you got to be there to make sure, so he decided I'll go with work there. So, he's working there and he calls, this is the tankers, and this is the pipe going to the the tank farm, OK. And he's calling Ballantine, this [weekend?]; Ballantine, meantime, is calling me. I can't picture this, a guy's behind the tank with this little, talking. Puts it back in his pocket. Calls Ballantine, he says, hey, something wrong, he says, the shore foreman, there's a valve here and he siphons oil out of this. Spewing oil even before he gets to his the tank farm. So Ballantine never said, how could that be? I said that happens easy. I said, this is a separate profit center of that refinery, and production department from Alaska, 'cause the guy had problems. He first noticed that on a foreign flag ship bringing back \_\_\_\_\_, figured that's understandable, stealing from foreigners. Then when the American ship showed up he said, gees, they can't be stealing from themselves. I said, yeah, they do that all the time, ah, the refinery and the production department, you're talking about enemies. I mean they're fucking each other all the time. The production department, for fun, will send this [visquene?] queen down the pipeline just for fun. They'll do anything. These guys are just, they steal from each other all the time. And your profit center is important to you because that's how you get your annual raises and your annual raises you a three year average when you retire, and all that kind of stuff. These guys are cheating all the time. So I said, no, that's very possible. I said, the problem is, I says, where is the meter, 'cause sometime you count just my meter. My case, I've always been stuck, the meters I wouldn't trust anyway. So I've always wanted tanks. 'Cause the tanks are what we call straps. I explained that, that kind of stuff Ballantine doesn't know. He knows sea part and I know just a little bit of the sea part, and I know the shore part. He says, tanks are what we call strap that's highly calibrated so that every, this whole gadgets, are put along the side and all you

need is the temperature, which is easy to take with a temperature gauge. You have a temperature gauge and you strap like that, and you can find out pretty close just how many barrels you got. So I says, well he says, well the next call the meter is here, so then they figure, well, he's stealing from himself. Then something's wrong. So I said, no, I says, it maybe, so then this roustabout keeps asking questions, I mean, he kept worrying. He says, oh, now our system, the meters there, the meters there so you catch things. It's got a water detector in it and all that kind of stuff. And it can give you an idea of what's happening for flow, but visual, but to make, the, ah, final accounting is by the strap \_\_\_\_\_. So they are stealing. Not much. And the guys working there are telling us about 200 barrels a shipload that he steals. Well, the reason he gets away with it too is, first, the ship arrives here at Anchorage 9 and lighters. This is the Anchorage 9 is in San Francisco Bay. It anchors somewhere, Long Beach. So you got a lightering. You're measuring there from the lighters \_\_\_\_\_ away. And then they come in to hear, well, hell, who know where it went, OK? And so the ship owner, and the shipper, 200 barrels. You're gonna file suit for that. Where did it happen? Here or there. You know, they'd never do it.

MR. BLACK:

Yeah.

MR. HAMEL:

And I didn't. Mine, I used to have a yoyo work mine [?]. I couldn't understand why the disparity was there. So, this guy says, the way it's done is the foreman, as the oil starts flowing. The foreman goes over, cracks the thing and listens, and when he hears oil flowing through, then he knows he's got the amount he wants. Just a little crack. Just enough. So then, yesterday, I said, well, find out how, where the tanks are. So he goes over and there's a small tank over here. When he says small tank, I said well, what size? The guy didn't know. He said it was just a small tank. I said, measure it for me. Visual measurements and I can find out exactly how many barrels it holds. 'Cause I can, he's a monster and a half man, barrels of tanks. So what he calls small could be 50,000-barrel tank. But the main thing is for you to understand, what I am telling you this whole story for is, if this guy doesn't understand, they cheat all the time. It's just cheat, cheat, cheat. So that explains to you why this goes on. This guy wants to show what he shipped out to the refinery. It costs them money to sit that oil, that product down in the tank, in the tank farm, and separated it. Then he's got to drain that tank. Then he's got to deal with it with water and an NPDES permit again. All this is an operation he didn't want to do. So he, ah, ah, ships it out. These guys have to get rid of it for him. And the finally tally of the amount that landed at Port Everglades is according to strap [inaudible]. But it's a lot cheaper to ship it out this way, and dump it at sea, than dump it through an NPDES permit and deal with it and cope with it.

MR. BLACK: So dumping it at sea out the bottom?

MR. HAMEL: Well, the bottom of the tanks, the hoses come back up and over. The cargo lines. They empty through the cargo lines. Which, ah, and when they hit cargo, they hit product. They turn it off. Now, now there are other things -

MR. BLACK: Can you see it?

MR. HAMEL: Huh.

MR. BLACK: Can you see it from the air?

MR. HAMEL: Ah, no, they do this at night time in the cargo lanes. In, in, in the that lane of the ships. You've seen that lane of ships through -

MR. BLACK: Sure, oh yeah.

MR. HAMEL: - going that way. That's at night time along that lane. You could do it by, ah, if you had a Coast Guard guy arranged and you follow the boat, and you pick up when you, I don't know how you'd know they've done it. But, ah, you know, you go out and pick up samples. Problem here is, unless they've thrown some fuel oil over too, this other stuff evaporates, but the aromatics stay in the water. You don't usually see it too often. I'll find out what the story is about that. We're gonna get their, now that I've found that it's still being done. Now I said to the captain next week they're gonna find out who, what, where, and I'll get through my SIU guys or whatnot, we'll find somebody who's pissed off and they'll tell me. And they're all pissed off at the companies, they've cut back so bad, but somebody who can help us here. 'Cause now it's easy. Before was hard because my captain couldn't, God, he was too much involved in it, and -

MR. BLACK: Now it's all barrels deal though.

MR. HAMEL: But barrels you have to, it's all the same. That same ship is doing the same as what the others are doing. He's gonna give me more information now than he gave before, because he was scared to death before.

MR. BLACK: Sure, but your, on the barrels, though, your guy is the one that invented the barrel situation.

MR. HAMEL: No. No, the barrels, everybody's doing it. They're doing....

MR. BLACK: He's the one that did it on the barrels.

MR. HAMEL: But the other ships did, too.

MR. BLACK: Sure.

MR. HAMEL: They all do it.

MR. BLACK: OK.

MR. HAMEL: What they do with the barrels is, the refinery gives 'em some crap in barrels, to get rid of up here somehow, I don't understand, he didn't want to say too much before, but now he will, knowing I've got .....

MR. BLACK: Ok. What about the hierarchy? Did he mention that nobody else knew about the barrels? They knew that they had to get away with it, and the captains, away from it, the captains on their own started with the barrels, but on this situation, does anybody in whoever owns this shipping company above the captain level know what they're doing?

MR. HAMEL: The Refinery Manager and the shipping department back home know about it. They're loading so much, getting less over here. He gave me his name once like a McCullough, Vice-President, who says, get rid of the problem. He doesn't tell ya which, spigot to open now.

MR. BLACK: President of --

MR. HAMEL: Exxon under Larossi. Then the other thing I got that's fun, nom, very slow but it gets here. This will take time, you know. I'll have this whole package [inaudible]. This is the kind. Ah, we get it all down pat. I don't ever want to say part of it and look for the other answer. We got to have all, everything there when you walk in the door --

MR. BLACK: Ok. I just want to put a stop to it.

MR. HAMEL: If you put a stop to it, ah, it's Exxon, high enough up in Exxon, from that point of view, they're dead. And they're arguing in Alaska that the shipping department is a separate entity, and it works on its own, and not connected to the USA [EUSA?]. And here's a perfect example where the shipping department, USA's got a cruddy problem, go do our dirty work for us. Don't tell me they're separated, separate entities, losing money on the deal, costs the operation. Say, hey, I'd love to do it for you out of the goodness of my heart, so that's gonna be cute. The *Galveston*. She's, ah, really funny because I just found started little memo and then I got held up at the office business, company business I guess, stuff going down. I started this little memo on the *Galveston* to your lawyers. It's easier for me, for

you, that I get the whole thing done and you give that to the lawyer, then, I was about to reference all the documents.

**MR. BLACK:** This is what you were saying before the Alyeska BWT is merely an oil-water separator system?

**MR. HAMEL:** Correct.

**MR. BLACK:** Capable of limiting or treating hazardous chemicals nor the toxic aromatic, hydrocarbons, heavy metals, phenols that collect in oil sludge. OK.

**MR. HAMEL:** Now when I made that East, this will all be in a memo, when I made that complaint, EPA did an investigation. I told you about that. And they went right to my office and one of my sources, and never even asked the right questions. So I asked John Hahn, the attorney for EPA, the other day. [inaudible] his [inaudible]. And I call him and I send him a memo, and I call him and says, I says, John, tell him how my guy \_\_\_\_\_ one of the offices that didn't ask the right questions. He said, \_\_\_\_\_ he didn't want to get into how, about what instructions he got from his former boss, who is now under investigation and all that kind of stuff, not to do it. But, anyway, I said, John, I \_\_\_\_\_ I can go after you too in this deal, your former boss rather, not you, but what your former boss told you to do and all that - I could hear him squirm on the phone. I know him well, got 13 to 14 years at the agency, now he wants to retire and then go home, 20 years retirement. So I said, John, we got to work together one more time to try and make it work. I said, we're on the same side. But, ah, they got a new lady showing up, just taking over. She used to be with AirWest from Washington. I want her to know that \_\_\_\_\_ it's not her fault what was done before, and it's not yours either. I said, I'd like start over again on this one. So I said, I got to know what you did and didn't do, my sources said they didn't do diddly-squat. He said, oh Chuck, I swear to you, I swear to you I took every single ballast water log. On every ship. I got every one of them. I personally looked at each one of them. Yeah, but I said, John, they're not gonna tell you that they put hazardous waste in the ballast water. Well, they have to. I said, well, ballast water for any ship comes from underneath, you know. They call it the sea chest. You just let the water in and suck it to each tank. And I says, you don't put in any hazardous waste that way. He said, that's the log they keep for you. The fact that they put stuff in the other way, ah, ARCO uses a system they say will flush out your lines, the ship. That's what this guy's waiting to catch them on. So when a ship is finished loading, ARCO is saying, why don't you let us flush out your lines? They own the ship anyway. And that this pipe is then connected to this, and they flush out the lines by sending the crud into the tanker. That's not ballast, is it?

You got to do things right, no. So can you picture which mate is gonna, who also has a barge come alongside to put something in, which mate is gonna put in his log that he got 200 tons of what they know as hazardous, this is, ah, tank cleanings have to use chemicals and all that kind of stuff. Ah, [inaudible] who knows what the hell, you leave enough, you leave a cupful of this, in the bottom of the ship surrounded by a little moat, and after all, it'll tear through the ship, you now. But anyway, so, anyway. None of them is gonna put that in there. Because it doesn't affect their real [?]. The reason for ballast logs is, you have an accident, you can see how much ballast you got, stability of the ship, and all that kind of stuff. Now a few hundred barrels of crud isn't gonna affect your ballast log on a million-three tanker, barrel tanker. So, nobody's gonna put that in there 'cause Alyeska looks at it, they know. Before they get started discharging their ballast, they got to show their log. How much ballast they took. That they didn't cheat to get rid of it along the way, on the coast. Because that's illegal. So, such that in Alaska you got to show that what you took in as ballast you didn't give up anywhere along the way, 'cause that's illegal. It would have to be in your log, if you gave it up. Just to go faster and get rid of it. So, calm weather you don't need ballast. So, or to waste time at the port getting rid of ballast. You can get rid of it on the way. Is the way they like to do it. In England it's a law. You have to come in with ballast, otherwise, guys would get rid of it out there, and, ah, anyway. So nobody's gonna put a word in their ballast log that they got this crud, or ordered to take crud. Now it would be in cable traffic, you're gonna get something given to you, \_\_\_\_\_ never's gonna be in the log boat. So I said, John, why didn't you ask for the cable traffic like I told you? Well, Chuck, I didn't have sufficient grounds to ask for the cable traffic, \_\_\_\_\_ like. I told him how you gonna get the cable traffic for just when you're loading fuel is, you know, week before you're loading fuel is when the captain [inaudible] loading fuel, they'll be another barge alongside to take that crud up. And that's the cable traffic I told him to get. You're not loading it on the cable traffic [inaudible] to the ship. He didn't do that, sorry. Now, I didn't have enough, his boss told [inaudible]. I said, John, how serious is this? 'Cause they're doing it again. And he said, Chuck, they can't be, after all. All the press we've had in this. All, and then the report said that they're not doing it, apparently. Or they can't prove that they are doing it. And I looked like a fool. So I made no comment to the press when they asked me. I said, I lost, I lost. So, John says, one \_\_\_\_\_ cause, so in chatting with him I says, how far back can you go? He said the statute of limitations is like five years, he thinks, but he's double-checking it. But he's almost sure it's five years for - I said in that case, John, I'll stop worrying about the years past that I knew they had and you missed on. Because even if you caught 'em they, gonna say intent, 'cause I know the government. My oil companies say intent. We

didn't intend to do something wrong. We thought, what the hell, oil's oil. We thought ballast waters plant could handle it, I know. They could do all kinds of things with their intent. But once this whole thing came up he investigated and all that kind of stuff. Anything passed there, to me, it's automatic. Conscious intent to set it up there and screw everybody. It turns out that Alyeska wants it.

MR. BLACK: Wants what?

MR. HAMEL: That crud.

MR. BLACK: For what?

MR. HAMEL: I hate to eat up all your time.

MR. BLACK: No, that's all right. I am trying -

MR. HAMEL: It'll give you the mentality of these people you're dealing with. Alyeska is a, gets a budget every year to work under. It's never enough. The owner companies, work with this and make it work. And anything you need extra at the last minute, we'll give it to you if you need. So, beside that budget they have only one profit center. And that is the recovered crude. All the recovered crude they get they stuff it back in the pipeline, and the price of the oil that day, will go well that day, Alyeska will get that money.

MR. BLACK: So it's the profit center.

MR. HAMEL: Now if somebody sends up 300 barrels of crud. That's 300 times 30. It's not a lot, but you can add up what they get every month. Should run about 30,000 barrels a month of, ah, recovered crude. So at \$20.00 a barrel your talking \$600,000, or what is that. Em uh. So these guys, first of all I already told you, they're stupid. I mean, they're crazy people. All these profit center guys, they're crazy. They'll cheat anytime just to look good and make things look good. So when they allow this to come up, and I know it's coming 'cause it upsets their system all the time. And they say, no, we don't know. We looked at the log book, and our guys never takes any [inaudible] to look \_\_\_\_\_ the log book. And that's where they're trying to change the law, so if something comes up, and they don't know it, 'cause it's not in the log book, they're not responsible for what goes out the pipe in the [inaudible]. And that was where I caught 'em making that arrangement and EPA and DEC agreed. Not their fault that anybody, anything comes up. The reason they asked for this change is they're all doing it, and they all want to be absolved of, they want to blame it on ship's officers and that kind of stuff. So anyway to get 200 barrels, ah, 300 barrels, it's more than that usually, but let's say 300 barrels of this crud being sent up to 'em, a lot of

that we'll say \$6,000 when it gets to 'em, what the hell. Now what happens is that crud, because it's blended in the ballast, diluted in the ballast, ah, and it comes out the bottom of the ship, it gets caught with the oily waste and whatnot, and most of the crud, the scalings and the, ah, residue will be separated out and they will get credit for it, because they mixed that in with crude going out, blended it with all the crude going out. They get away with it. What doesn't go out, the recovery crude is the chemicals, and they benzene, toluene, xylene and the aro-, what they call the aromatics in the chemicals, that goes into, it's water-soluble, that just goes into the drink. And they're doing that, and they're negotiating with the state that every time this happens to 'em, that they don't know why, but it happens to 'em. They got extra high aromatics in a shipment that they are allow to aerate until someday when they get more ponds, and try to cope with it better, and they're negotiating, their lawyers have been fighting me and fighting them for, fighting EPA now for three years and something, and they're still negotiating it, I am not a part of the meetings. But EPA, DEC, you know, they're always on the defensive. They don't know why or what, but they just go along with all this stuff anyway. I mean this whole thing is so stupid, and the *Galveston*, ah, here's my problem, the *Galveston* turns up when I started pressing the guy yesterday. He said he did it in '88. He remembers the shipment. Doesn't remember the boat he puts it on and whatnot. But, in '90 this past March, he says, he just assumed they put it in that, went north with it, 'cause they always do. And he's certain of it but, you know, certain is not enough. I got to be sure. He said, well, I'll tell you why I can get at that, I said I don't want you making any phone calls or whatnot. He said this one is getting ready to trust me, he says. He says, when I got off the *Galveston* in January, the chief mate, that I knew a gal from way back, who, ah, was clean chief mate for Exxon, and she was [going to with \_\_\_\_\_?] shipment. And she asked me for some help. She said, you've done this in the past. When you were a mate. How do you get rid of this stuff? Clean the, clean the tanks. Not who to get rid of it to. How do you clean the tanks 'cause this tankers so fucked up it doesn't have hot water system, and it doesn't have what we call a Butterworth system. Butterworth system is an automatic cleaning system that you can't, it all ends off off the slop tank, it's automatic systems to clean the tanker, less chemicals. In this instance, because this boat doesn't have the hot water system, doesn't the Butterworth system, it's all chemical. He says, you know, you just load up at the refinery. Gives you drums and drums and drums of this caustic stuff and he uses it, it's the third time I've the term. I used to, I heard it way back in my tanker days, but, ah, you take the cargo lines going into the tanks, incoming cargo lines, and you have a valve system and you add these barrels a little siphon and as that, as water is coming from somewhere, through the cargo lines it sucks this chemical with it. They just keep emptying drum, drums and

drums for each tank, and then, the Butterworth system is a crude washing system. So in this case he used all these chemicals, and you slosh it around in there somehow, I don't know how, and you go to sea with it and then, ah, it cleans the scales, it cleans everything. It just eats up everything. So that it, as he's understood from my meeting the other day. He says, gees, you tell me it's illegal. I started thinking about that. I was telling her about how to use the chemical, and how she would have to use the chemical and whatnot, and how I used them twenty years ago when I was a mate. So, he said, I have a reason we can call 'em. She's at sea right now. He said, I'll call her, I'll call her. I said, what I wanted to know from him was that she that she lash up to a northbound ship as they always do, or she gave it to a barge, and we can check the barge. Meantime what I've done is, one of my sources has an Exxon angry man, gone from Exxon, who is a key guy at the shipyard in Portland, Oregon that takes in, that does the survey, drydocking. And he knows from his particular job, because they compete with everybody else. Every ship at drydock where's the dock, when, by whom. And he got friends at each place. They talk to each other. And so, again, my guys who's handling that is on a Russian ship. Taking a ride in a Russian \_\_\_\_\_ ship, but, ah, two of you gonna get out again, or he's gonna put me together with the shipyard guy, or he's gonna talk to him himself secretly with the guy who \_\_\_\_\_ to talk to me about the *Galveston* she went there. I didn't know she went there but he was gonna know, he was gonna checking out where she went for me and all that stuff. Turns out that my captain said, one thing I do know is she went to Galveston. But the gal was [taking?] it to Galveston. I mean, taken it to Portland rather. So I know she was taken it to Portland, and, ah, somebody's crazy to get rid of it at sea like that, but the rest you got to go somewhere with. So, ah, one of my sources is gonna know early next week, if the guy's on vacation, whatnot, what does the record say? This is the kind of stuff that you like and I like. I like to double-check everything. I don't want the record to say, oh, they gave us all this stuff when they really didn't. But you know it's marked in the records. Well, I am gonna get the shipyard records. Did it arrive with no, with no tank cleanings? You can't come into a shipyard without cleaning the tank. So if the shipyard didn't take it, it gets paid a higher fee for taking it. And that's the reason they're gonna do this. So I'll have the shipyard data, ah, next week on that one and I'll have, ah, ah, another guy that put me in touch with, that said he agreed to talk to me next week, who ran as a captain on, ah, on the ships going to Alaska. And now he's a river boat pilot on the Columbia River. He just got POed with Exxon and quit it and somebody's been talking to him for me. He's about ready to talk, they say. Then I got a captain, ex-Exxon captain, who pretty much agreed to talk to me up in New England, Maine. I got a, ah, a, ah chief engineer, which I've always wanted. All these deck stuff, I'd like an engineer to tell me

all the crap that they do too. And I got a chief engineer, who's a working chief engineer right now.

MR. BLACK: With Exxon?

MR. HAMEL: Exxon. Who, ah, agreed to see me, ah, talk to me, we're working on this. Ah, so I will go up and I am going to Boston, Maine, New Hampshire, ah, to meet all these guys in about a week or ten days, and I know they're all, I want to wait until their vacation time is over with, and I want to make sure they're all seeing me in the right order. Each one will be giving me other guys who left who can corroborate all these movement north. I don't need the dates. Their problem, none of 'em ever dates or whatnot. Yet when they start saying, well, look, you relate it to when you got off or when you left, oh yeah, right, I got and I went to Galveston. So my, my thought is this. The *Galveston*, the *Baytown* I know did too, but why worry about the *Baytown* because she was going back and forth to Alaska getting crude, and bring crude. So they can argue it's wrong. But, you know, it was Alaska crude, she could have got rid of it coming back up on her own. Who the hell knows the difference? But the *Galveston* is the equivalent of a shoreside pet [tank?] farm. She's never been to Alaska. She doesn't go to Alaska. She doesn't go anywhere. She's the lightering. She's a tank farm. Happens to be in the water. So that's, and she takes foreign flags, I mean all kinds of ships come to her.

MR. BLACK: Yeah.

MR. HAMEL: And so, ah, from point of view. She is worse than some of this other stuff that I was complaining about. I was complaining about the Alaska-run tankers cleaning up going up and setting up. Because of that we also are, I am sure, from what I am told by these guys that they're product tankers cleaned out and sent to Alaska. Now that is unleaded gas, it's got everything on it. Now as bad as all that is, we can take forever trying to put all this together. What I want is to verify, so perfectly, everything on the *Galveston*. Hey, it just happened this past March. At the same time Exxon's playing around with the 2 billion dollars' restoration fund for the bay, Prince William Sound. And here they are, they personally are polluting the sucker, and their shipping department, are not, I mean Iarossi's the, one guys was in deep trouble was still with 'em. When I found out the date, Iarossi left like May. End of April, Iarossi left, and this happened in March. So under Iarossi, this other guy this guy is just saved some money. Iarossi pollutes the bay and Alyeska goes along with it. The whole thing, to me, all the rest of 'em, who we could under interrogatories after we go on the attack. But that, and now, you convinced me separately that while I am getting all this stuff on the *Galveston*, OK, down pat, 'cause it's the one that's got all the

pizzazz to it, Exxon et cetera, Prince William Sound, polluting. This or the one I got in San Francisco. Hey, a guy in San Francisco disappeared on 'em so he's unable to see 'em. We think he took a quick job and out somewhere. The government is taking everybody right now that they can get their hands on. The guy that was watching San Francisco for us is on, ah, sea or something. Disappeared on us, and that's happened before, so, we'll hear from him sooner or later. But the ARCO guy who's on site, working right now, we, we, if everything had dovetailed all right, we were ready with the *Galveston* and the other lawyers had looked at this whole package. Then if you find out they flushed it back in, whatever it is. We got to catch them in route up there, because what they'll do is, they'll force them not to accept it. EPA won't let 'em accept it, and they'll have to pour all this ballast into a barge that they'll have to find up there and ship it all the way back south, it's their water. That will be the argument. They won't maybe do it, but we'll see. But we are, I agree with you now I've been realizing more and more just complaining that it was done, and we know they are doing this type of practice. Catching one, ah, and we catch it and we do our action while it's in route. \_\_\_\_\_, but, ah, we'll at least know that it was just done again, ah, \_\_\_\_\_.

MR. BLACK: Wow, yeah.

[End of Side 2 of audio track made by Wackenhut (Side 2 of enhanced tape continues for five more lines). Conversation continues at page 411060 of original transcript.]

**2822**

**F2R416542**

8/30/90: Exhibit 30. August 30, 1990: Meeting at Ecolit office

Prod. no.: Video, F2R400350; audio, F2R411059; orig. transcript, F2R411060-071; enhanced audio, F2R416179. Continued from page 411058 of original transcript.

[Transcript based on audio track from original video, as enhanced.]

[Side 3 of audio track made by Wackenhut begins here]

MR. HAMEL: But always remember when, when you're talking to your people and they say, oh, what the hell, they're not that stupid, are they?

MR. BLACK: Did this kind of thing go on when you had a tanker?

[Side 3 of audio enhancement begins here]

MR. HAMEL: Well, my little tanker was way the hell gone and back 13,000 ton, we were carrying grain in it. That's where the money was. In those days.

MR. BLACK: You were carrying grain one way and oil on the others.

MR. HAMEL: Too small to carry the oil. In those days. Which is good for grain. She was like scrap iron, we were cutting holes in it, which is, which is very hard to find in Japan. Made a cargo ship out of her. I'll bet the guys will tell you when we get the guys like the captain who is not going to be afraid and you don't have to talk to the captain as long as he keeps doing what he is doing. I called my network. When the networks deliver in 48 and don't scare off my meeting another person and I said, because who he is sending to will say the same thing. But the guys who have left that will meet with you one time in confidence and give us whatever we need on affidavits, even if it's the kind where I swear to you guys it's done so you go and use it, but don't give up my affidavits to somebody at least who you know.

MR. BLACK: Yeah. Don't worry.

MR. HAMEL: Well, in this case, you're gonna find that they are going to tell you that, like these barrels, you arrive here in Texas at 6:00 a.m. at a spigot, literally, and the guys never go ashore. Fry a bolt breaks into a spigot, they bring us stores and the barge brings us food and everything else to go for the next couple of days. They transfer people around. There may be a gangplank all the way to shore or not. And you're there for hours. And they load up that ship and all your guys are working like mad for hours. And you're going. Maybe in four hours, six hours, whatever. And the stuff you've been

accumulating in these barrels and whatnot of crud, you haven't got time to ship those back ashore. Somehow, I never found out, he was so scared to tell me last time, that is present, but I know from a mutual friend, some of these barrels were given to them by the refinery and it had to do with diesel, bad diesel or something. I don't understand what the hell it was. Something they had that was no good. And the refinery had a problem with it. And they were giving it to them to take care of. I never found out what that was. And, uh, they'd lash into the back of the stern of the boat all the time. There's no railing or anything around there. And they get out here somewhere at nighttime. The crew has nothing to do with it. The chief mate cuts the lines; things fall overboard and it's a common practice. But they all do this kind of stuff. Probably what gets me the most as I keep talking to each of these guys is when I sat on my own beach trawler one time on Johnson Beach; it's terrible also the way he's bitching about it all the time and we too went out one time and we had to \_\_\_\_\_ and they kept saying it's these damn tankers out there and it turns out that every guy that I've talked to talks about cleaning their tanks at sea, even on the Florida coast, as long as it's a busy shipping lane. That's one of the busiest shipping lanes I've ever seen is right there. As you look off to Miami, you see those tankers going by there all the time, Johnson Beach, and cargo ships and the Russians and ARCO all that stuff, and every guy there, there are companies like they remind me there are foreign flag ships, for example, and American-flagged privately-owned ships that even Exxon wouldn't do, whereas they just never have ever had a problem with tank cleanings. The stuff I am talking about has never reached shore. It never reached the barge. They just flat out get it all arranged for a stormy day in busy shipping lanes and dump it. The Coast Guard never spends the money trying to track that stuff down. It's easy. They go get a sample of it and you'll get the ship that you think did it and you match it with the fingerprints. The Coast Guard doesn't do any of that. They don't have the equipment for it; they've got too much trouble chasing drug guys and whatnot. But that stuff in Florida is pitiful. All the stuff that you are getting in Florida that I was talking about and whatnot which affects everything out there, the reefs I'm sure. But that's purposeful cleaning, tank cleaning all the time. And it's against the law now, you know, American ships unless they're, the only way American ships can do it is on the way to the Middle East or something. Then it's not against the law. But if you go in port, an American port, you can't do it. Even if you're outside of the 12-mile limits. But you know and I know if we wanted to, if each chief mate had to come back and sign a certified document that he's never done it, he'd get so many enemies on that ship. When something is wrong they got to consider it, not consider it, but you find some way to get at it somewhere, legislation is required or whatnot. You know they can't do it if it's not on his committee. And the regular

committee won't do it because they don't want to screw the ship owners. But if each chief mate when they get ashore each time had to sign a document that if they even spilled, in an accident, they screwed around and somebody opened the wrong damn valve a little bit, that's accidental but anyway, if each one had to sign that document when they come ashore and the captain, too. What's wrong with three guys signing a document: spilled? accidentally? purposefully? Then they're not going to do this type of stuff off the Florida coast because somebody is going to squeal on them somewhere. And if you have anonymous people start talking, not even anonymous, they are mad, the guy that got fired by them and is not going to see them anymore, screw that guy, go squeal on him. And that's why with Alyeska all they've got to do is have the guys sign that they took it on and there's too many enemies, I got each one of these guys telling me how they have some enemy over there that they wished they could -- it was funny, you know.

MR. BLACK: Speaking of you telling of people leaving and people disgruntled, people quitting and fired, there was this guy that you told me was going to Thailand because he liked little girls.

MR. HAMEL: He is going to Richmond, Washington and his folks live there and he quit without giving his 15 years, I understand; he had a year and a half to go. He tells me he quit because the terminal was ready to blow up and he just wants out.

MR. BLACK: What terminal?

MR. HAMEL: Alyeska terminal.

MR. BLACK: Physically blow up or 'blow up'?

MR. HAMEL: All the guys tell me that. It's just like the refinery blowing up; it's leaking vapors all over the place; I know something is going to cause a spark and the whole thing is going to go. And everything is rusted. I'm not talking about corrosion like you and I know they got corrosion, rust. Nothing's working. And they won't spend any money fixing it until they get caught. Now this new task force fought a lot of that but, uh, --

MR. BLACK: So, he's out, though.

MR. HAMEL: But he's not only out but he's been waiting for a year, for a year and something he's been sending me messages, but didn't make the movement; I wouldn't make any more moves either. So I called him the other day and he's pretty good on the phone. He said he [I?] had a lot of friends there; you'd be surprised how many people are my friends, et cetera, and he'd work with me but he also was

apprehensive a little bit about he hasn't gotten his last paycheck from them, which you would guess that he hasn't got it. He hadn't heard from them since he finished his last day. But he's negotiating with them; they have to buy his house; they had a buyback agreement and they're screwing him all over the place on that one. They don't him to make any profit on it, of course. He'd been there fourteen years but [tape interrupted] Alyeska built the house for him but now they're finding everything wrong with the house. The fuel tank is too close to the house; they put it in, not him. Everything they are giving him a hard time about for deductions are all theirs; they built it. Anyway, so I detected that he was, he said he had a little building problem and he was tired and he was still sleeping but he was going to sit back and take his time and think for me and work with me; a little memory problem so I understood what he was saying. He hadn't gotten his checks from them yet and he thinks he's being [inaudible] and he doesn't know to who he's going to sell it.

MR. BLACK: He isn't soliciting money from you, is he?

MR. HAMEL: Oh, no, no, no, no, not at all. No, no. In fact, I've been able to just kind of, he just found out that they were screwing him in his negotiations and now he's out even harder and at their mercy. So I said, well, there's nothing I really want from him right now; I've got so damn much on my mind, so much going and I am, I don't need anything. Except that when I thought that he was going to Thailand is when I wanted to get everything I could from him before he left. He's not at all; he's going to Richmond, Washington and he's going to work at the Hanford nuclear plant and that's where he used to work. He's got thirty years as a machinist, six years as an engineer, and he's going to make as much money there as working for Alyeska. So why stay? Even he'd lose his fifteen year retirement because

he's was the machinist for the entire pipeline. Everything up and down the pipeline, something special that he made. He just stayed in the shop, he was a machinist all the time there; fourteen years. Because of that, now he's got an opening at that other place. So I told him, look, when I am going to Seattle to Marysville, Candy's [Kathy's?] mother, father and brother lives there, and he says "You come over to Richmond for a couple of days, you can do whatever you want."

MR. BLACK: That's great.

MR. HAMEL: So I went. But I have to go out and I've got Christmas or something out there; I'll be out there before Christmas, so I'll be talking to him. But one thing he gave me that I knew about, but is good to have someone else tell me, the entire fire/water system in Alyeska terminal, you know, comes a fire, fire/water system, is so rusted that

they literally have fire \_\_\_\_\_ pop out of the ground, go pull open from corrosion. See, the fire/water system is sixteen feet down. And what they use is seawater, and like this guy says from the very beginning, he says, 'I'm no genius but I'm an engineer and I'm a machinist. Why would you use seawater to keep your fire/water system charged up? You could use fresh water. They have a stream coming down the mountain and they could use that fresh water. They use it for the power plant. They use the power plant water coming out of the power plant and keep it. They don't want that kind of complicated thing. So here they had fresh water, which doesn't corrode, because they didn't, they were supposed to put stainless steel pipe and they didn't for the seawater; they decided not to, to save money. And they have black iron pipe and it's just rusting out. So he's the one that has to reread things to make it, to try to build something up to make everything hold together down there, glue and string, to keep the fire/water system operating. I knew it was leaky, it was a terrible leaky system, because they put huge new diesel pumps to keep it charged up, for God's sakes. So, that I was getting from my other sources, but it is good to have someone who touched it, felt it, played with it. That's a big difference. So I'm going to spend some time with him on that because I reported it to the fire department in Valdez and this is within their fire district and whatnot, but they won't let them on site. They say the hell with the fire department and told them off, they pay taxes, big taxes. So I don't know what I'll do with that but anyway, I'll play with that with my *Outsider* magazine issues, because employees know about it, but not enough. And when the employees know that their company has this kind of problem and is not doing anything about it --

MR. BLACK: I'm going to talk about that; I'm glad that you brought up that *Outsider* magazine. You're still going to do that?

MR. HAMEL: Oh, yeah.

MR. BLACK: We'll do the mailing on that if you want. But it's going to cost you. It's going to cost you stamps.

MR. HAMEL: I appreciate that. We're going to do a lot of things together. I've got some great ideas.

MR. BLACK: Well if you want, we'll do it.

MR. HAMEL: Well because, uh, --

MR. BLACK: Rather than have Kathy do it out of your house.

MR. HAMEL: One of the guys has given me, uh, a hard time on it and he's a very

important source to me and the hard time he is giving to me is why I'm not rushing into it. And he's off where I can't reach him for one week. I don't talk to him when he's on the line. But he wants to be so sure that, he says, you got credibility around people right now. It's out of sight. And the way you come out with your first issue and the way you say things, what you say, you've got to maintain that credibility with them. You can't be anti-killbody [?]. Now you see, they don't know who you are, you could be anti-company. They know my deal is I've helped on land and all that stuff, so right now it's fine. I'm just a vehicle for the people. It's an employees' magazine unto themselves; an employees' newsletter to themselves and I'm just a tattleloop type thing.

MR. BLACK: What I'm offering you is this. If you want to include us in the damn thing -

MR. HAMEL: I can't. Because I don't know who you are and I would be scared for now.

MR. BLACK: OK, but if its going to be anti-company, -

MR. HAMEL: No. It's not even going to be.

MR. BLACK: But if you want it to be anti-company -

MR. HAMEL: No.

MR. BLACK: -- it can come from us.

MR. HAMEL: No. It's not going to be, though. You see, I'm making them be the judge. Every time I am sticking something to them it would be, they would be the judge.

MR. BLACK: Maybe later we can add in.

MR. HAMEL: OK. At the moment they know who it is, let me show you an idea of what Alyeska is all about. I'm deviating all over the place but just to give you a feel for this stuff. Here's the pump station. There's twelve of them involved. Your pipe, your oil comes in here and it goes out here, OK. And they got these big turbine pumps.

MR. BLACK: That reminds me. I'm sorry to interrupt you. Did you get that diagram? You said there was a new guy that was going to send you a new engineering diagram.

MR. HAMEL: I forgot to bring it.

MR. BLACK: But you've got it.

MR. HAMEL: Yeah.

MR. BLACK: That guy works there now so he's not going to go away or

MR. HAMEL: No, but I've got people at each pump station. And this guy, not each of them, anyway, this guy, there's three pump stations that have refineries. Little refineries at the pump station. And they refine oil. Crude oil. And they take off the jet fuel and run these big jet turbines and diesel turbines that they ship off by truck to the other pump stations and jet fuel and diesel to run the big power plant at the terminal and it houses this big operation. There's three refineries, OK? Now, each of these pump stations has a huge tank so that if there's any kind of pressure in the pipeline, it just backfalls into the tank and relieves the pressure in the pipeline so it doesn't blow the thing up. Now, what happens is they've got another little pipe that goes from here to the refinery. Normally, they just draw it right off the pipeline for the refinery. But to run this whole operation, we got over here a great big like a flare system. Knockout pots for vapors, et cetera. And huge, it's a huge operation, OK? Where all of the vapor accumulations that are trying to pop out of this whole facility have to go to be handled and then they go through a big flare, et cetera. The reason is, the original law says that we are going to provide, and they permit that job, this is the first time they got this permit thing and all these years I didn't know about it, I got it from Ray Nye the other day, the guy that is in the EPA that stays in my house, he just got back to work and I was describing all of this to him and he says, well, I'll send you a copy of the permit. The guy that's got the paperwork is up in Alaska, so, the permit way back when said there would be vapor recovery at each pump station refinery. There would be no emissions into the atmosphere. Very clear. I had hearings on the stuff but I never saw the piece of permit page itself, the permits, the sig. All I want is that page. So that's being sent to me. What they did is, right after the start-up, they got everybody happy with all this stuff and everybody tours it, the environmental groups that lost it toured the pipeline, they showed them how everything was, and I kept seeing that everywhere they toured, as soon as they finished the tour and everybody got taken care of and they'll never come back to bother us, save money. This costs money to operate this. There's guys, there's people, the corrosion problem, everything falling apart, so this is only a couple times a week you may get backflow into here. Now that they're adding natural gas liquids which they weren't supposed to, this tank can't hold it, so it's got to vent somewhere. And as soon as there is pressure here, its got to get out. Butane, propane, benzene. So, those suckers disconnected this and they disconnected this and they open this up. And there's a constant flow into here all the time equal to the flow from here to the refinery. Now, the people that

work there, they don't understand all this stuff. Honest. Because everybody is, this story you worked at Alyeska, this is your job here. And this is your job here. And this is your job here. And you got cross-training and whatnot, but just nobody understands what is going on. Meanwhile they are venting to their own people and everybody is sucking this crap up plus the environment. But it was unnecessary. So the final word is, none of this operates and just a constant natural gas liquids that come down this pipeline at eight miles an hour and all this turbulence because of the natural gas liquids in it, it just wants to get out, just like at the tank farm at Valdez. So there's a constant flow of emission from here. All the time. That EPA doesn't even know about. And they are requesting of Alyeska and all that stuff because they didn't know about this part; all they know is that its not working right, something is wrong. Well, what do I want to do about it? There's two things they are going to do about it. One, either fits the newsletter as an issue where, you know, here's what Alyeska says but here's what the permit says and those of you who work there know that it was disconnected way back when, and is that what Alyeska is all about? Is this the way you feel about your company? That these lies should continue. Something like that. And then the press gets a copy of it. But the company, the people, at least what I am trying to get at is they are unnecessarily getting polluted. The human beings. I mean, they're living, they are breathing in this crap all the time, when they didn't have to be anyhow. And their health. And they are all talking about their health. They are all worried about it. They all know that is my issue. Then the other thing that could happen but I'll know better when another 10 days of this one, and none of this would I do in a hurry anyway, I got too much to do, so this is going to be like the third or fourth issue of the thing, but it may be that there's a legal aspect to it and that's your court. And if your attorneys look at it and they play with this and Ray Nye will tell me off the record because he is the EPA head of this whole thing, he says he's not sure the way things way back in 1977 what kind of teeth were in the regulations when they made this, but the good citizenship was certainly not there. So if there is any legal part that could be done, which EPA doesn't rush into anyway, like an NPDES permit 60-day notice, that'll be all I know.

**MR. BLACK:**

Why doesn't Ray Nye go up there and raise hell?

**MR. HAMEL:**

Because he works for an administration that doesn't do. I mean, everything he does on this issue comes all the way back to Washington and sits here for weeks into months to be approved because you're touching the oil companies. And what he's done is unreal, he's done more than anybody that gets in, he's got real murder roles all because I had Bennett Johnson write that letter and he had all that stuff to work with, without that he'd never have

been able to do what he did. And if it wasn't for the *Exxon Valdez* he'd still be working for asses from Alyeska. It's not a big deal except that what I like about this is the employees. Each one of them at every station is getting nothing but crap, I mean, emitted. So this one, there's only three stations, but so cut-and-dried and it's so absurd that they had it. And then I did another thing, a report that is coming in that has been sent to me and I think it's in my postal box because Ray said he sent it to me last week but I haven't got it yet. Anyway, he sent it to my postal box. He's got a report, an in-house report by Alyeska, everything I've complained about the vapor recurring and whatnot, he's got an in-house report of their own on a study that they've done way back when saying we can't do this, we can't do that, because of the emissions. If we do this, this, this and that, we won't have these emissions. And they said no. Just like this one. The hell with it. And this may be [inaudible].

MR. BLACK: And he's got it?

MR. HAMEL: Yeah, he sent it to me.

MR. BLACK: What about those boxes and boxes of in-house things that you have? Anything in there along these lines?

MR. HAMEL: No, my stuff, for example, identifies stuff, just like it identified the corrosion thing. My stuff, one thing that I've got that --

MR. BLACK: And you are still getting these. These people are still --

MR. HAMEL: Everything that I do, seven, eight a week.

MR. BLACK: Do we want to put those in the brain?

MR. HAMEL: The effort to put them in at this stage of the game, I mean, just to get them ready to put them in, uh, here's what I am up to.

MR. BLACK: I mean, bring the boxes over. We'll order them.

MR. HAMEL: Here's what I'm doing. You gave me the idea the other day. Candy [Kathy?] has been trying to kick me out of the office. And she's really been bad about it. But I have the house. But to be my neighbor, as soon as Exxon comes through, I move. As soon as I sell. Oh, I didn't tell you what happened to my little copy with Exxon. Had they settled me in July with x, well,

MR. BLACK: Congratulations.

MR. HAMEL: I was winning. I was only looking for a few million. But we'll see what happens. Worth double. My guy says my action is in just all

the computer rooms, everybody in the whole company get them all to sign it but it's never going to go down again; it's over with.

MR. BLACK: What I am saying is, if your game is to push a

MR. HAMEL: OK, I'll answer your question. I'm sorry. I am, across the house from my house, you saw that where that little, we're at the Chart House. Near the Chart House or my house is a big building there. And the ground floor has an operation that is like yours. I never bothered with the name. But my neighbor, I told her, so I asked her questions about the operation yesterday. And she said come on over. And it turns out that the corner office, which is, I wouldn't move nothing, I told Kathy that Howard wanted it upstairs. It turns out that the upstairs, I went and looked and I knew the people that had the upstairs. When the real estate company is doing bad, I can get an office there easy and whatnot. But the view, the bay windows are so high that you got to look out this way. And on the ground floor the windows are so low, you can see my house, you can see the park, you can see the water and the patio. And it's just, its all windows. You know that about the rain. And they're hurting. And the guy is moving out in two months. And they're renting the rest of the place, too. This is all guarded because Bush's son is in there; he's got an office there and the Secret Service is all over the place. They park in front of my house to guard it all the time.

MR. BLACK: Really?

MR. HAMEL: Yeah. But they park in front of my house. I woke them up one morning; the guys were both sleeping; they were supposed to be on awake and one sleeping but they were both sleeping. So I tap the door and say, "Hey, you guys. One of you has got to be awake here. If you get caught..." Anyway, my — I'm getting up as far as part of the day and I need a secretary. And I just, I had a secretary that I thought I'd never have a secretary again because she was so perfect for my deal. I don't want a gal around all day. I can't stand that. And I don't want her except when I need her. So, what I'm looking at is I've got to file; I've got so much to file. And I can't function. So I am going to hire a secretary part-time, take that office, and this is my walk-over with Muffin and they allow dogs. The lady has got a dog. And I walk over there and even my portable will work all the way over there. I can use my portable right there in that window because I go past there. And I'll take, not my sensitive stuff like my call telephone records because that \_\_\_\_\_ can find all my people that I am talking to. But everything else, I got all this stuff that you are talking about in boxes of it because when I had to move out of my other office in a hurry because the lady came back to the house, I just piled everything in and never looked at it. My notes, my trip notes, you name it. So, I've got to sit down.

MR. BLACK: Those things you have to transcribe, but hard copies of like some of the things you've showed me

MR. HAMEL: But it's all mixed.

MR. BLACK: -- when Ricki and I were up there. What I am saying to you is that I've learned more about the ins and outs of this stuff from you in four or five meetings than I could ever learn from books and what I'm offering to you is, if you want to use it, we'll plug in the disk whatever you or our guys. I've got this guy Vern and this other guy, I mean, they're working full-time and, you know, they're like, like your secretary. Sometimes they're off but I am still paying them. If you want to use them, bring the box, we'll do a box at a time. Whatever you want to use, we'll load it in there and give you the disk.

MR. HAMEL: OK, because then we'll do the, like, no one has what is called the *Insider*, the newspaper. And it's got data that is very useful and until I get it in there and pull it out, it's not going to be useful. They stopped putting '86 stuff in, ever since they knew I've been using it, but the old stuff I got from my '85. But what it also has is, each employee, when they get promoted, where they go and whatnot, and comes a problem, you start finding all that in there. Nobody keeps a record, has a record like that. So, it's just hard to, I talked to

Ken about it some time ago, but -- it would be good practice for him because it's got good newspaper stuff and whatnot too. But we put that all in to start with. Then I have enough to stack. Then I have a bunch of their, I don't think I showed them to you, a bunch of their memos, their corporate exchange cables, they call them. Five, six pages of their corporate exchange.

MR. BLACK: You did show me some of those.

MR. HAMEL: And that, I got tons more in boxes, but those that I've spent time trying to go over, I've just put them in chronological order. Now, if you guys put that in, because I was going to have this girl do it too, is put those in. Where ReadWare happens to be useful is when there is maybe fourteen issues in the bi-weekly coax cable, something happened in -- the line, something happened here, a corrosion problem here, all that is in there. There's no way you can file that. And how do you cross-file something like that? Especially if you don't even know it, I know, I've read every page of those, so I know if I want to find something, if I had ReadWare I could find it. It paid for, like having them paid for themselves fifteen times over. When I was able to find for, just by playing a little with ReadWare, what I already put in the file system and asking the ReadWare, I

found two references to those secret meetings, that secret that nobody knew about, that prior to the *Exxon Valdez*, the two meetings that the oil companies had about, they're in trouble, they can't handle the spill because of Exxon.

MR. BLACK: You told me about that.

MR. HAMEL: But that was dynamite. Now Miller has gone out and done something with that.

MR. BLACK: Those are the kind of memos, those internal memos that you get out from under them, that we should put in there.

MR. HAMEL: Some of it is already done. And, uh, what I would have to do is just keep pulling some more out and where they're not, somebody doesn't have to restructure them into chronological order, because I've already got them in chronological order, but I got a lot more. It just takes time for me to stop and dig that stuff out.

MR. BLACK: Yeah. Excuse me. Hello. OK. No, do what you could, it's a work --

[Tape is interrupted before end]

[Conversation continues in Exhibit 31]

**2835**

**F2R416555**

Exhibit 31. August 30, 1990: Conclusion of meeting at Ecolit office

Prod. no.: Video, F2R400351; audio, F2R411072; orig. transcript, F2R411073-091; enhanced audio, F2R416180.

Continued from Exhibit 30.

[Transcript based on audio track from original video, as enhanced.]

[Side 1 of audiotape begins]

[MR. BLACK?]: OK, I'll \_\_\_\_\_ you some of that stuff so they can start practicing and we already have a lot of stuff in there already. I'm just getting what we already have. Hamel on the disk or something.

MR. BLACK: Let's make a master and we'll pop those discs and give him, the point is you've got at your place, you've got, you showed me on two or three floors, boxes and boxes of documents. Some might be general stuff that I have.

MR. HAMEL: I got, for example, the original plans of Alyeska's refinery. I mean, the whole pipeline. I have the original plans, some changes were made, it's not important to them, but this stuff just keeps coming in.

MR. BLACK: I'll tell you what is important. Internal memo included in the newspaper.

MR. HAMEL: The *Insider* has, well, it's an issue that you and I have to talk about.

MR. BLACK: But those internal memos like these, I'm telling you --

MR. HAMEL: I don't have that much of those.

MR. BLACK: Well, if you have any more of these, if you can get any more of these internal legal documents --

MR. HAMEL: I haven't gotten any lately.

MR. BLACK: These are incredible.

MR. HAMEL: That's why I was very low key about her finding out who Heckle [Heckel?] is. Because I wanted to ask her to see if she could get another round of the stuff. I'm very slow about these things. You have to be casual about it or else you get too anxious and --

MR. BLACK: You think she can get some more of these?

MR. HAMEL: I don't know. It all depends on the person. If she feels like giving

out any more - People run up and down like a yo-yo over there too, you know. If you live in Alaska, [inaudible] say that happened, the gal was pissed, or the guy, I don't know who it is, whoever it is, is pissed and wanted to know, and bad weather and whatnot, if you live in Alaska, the weather can be bad, it gets cold and they already got snow dustings. That means you're sitting in Anchorage now and you see the snow coming down already. It doesn't hit the town, it doesn't hit you because you get rain, but you see the hillside and it's all snow. Uh, and Valdez just got rid of the snow a month and a half ago and now they have the dusting again. So people get - you really have to go just by luck. They get pissed off again; for example, Exxon is trying to say that they are not responsible for that shipping company. As soon as she calls me again and she talks about Ecolit and whatnot, say incidentally -

MR. BLACK: Would you ask her what she thinks about Exxon's pleadings, about they have no relationship?

MR. HAMEL: That's how things happen. Pick up the phone you know, yeah, I've got some more for you, baby. One thing that may be, I am waiting for Miller, what to do about it. He was busy on other stuff and now he's so busy. I've checked the schedule and he's got two hearings coming up in September for child abuse, child care and that kind of stuff, and some, like a \_\_\_\_\_ forest-type thing somewhere. I don't know where it is but anyway, ah, like the Redwood Forest or something. So he's got two hearings in September and they're only going to be in for a month, and he's got to be campaigning, ah, he's not about to handle this other stuff very heavily that I had for him, I don't think, he may. What it is, an editorial [?] about 'em, the vertical supports, ah, that hold the pipeline up, ah, I had it set up as an *Outsider* thing and we're going to point out to the people the testimony and how they lied. He lied on their behalf, they're gone. What do they think? But what I had in mind, but it may be that, ah, it's a legal thing involved here. And here's why, you got the underground, four hundred miles of pipeline is underground, four hundred miles is aboveground, hey, and this was a national big issue. That the underground was corroded. And where it was corroded is fifty-cent pieces, how big the corrosions are, but it's still bad. Fifty-cent means they're gonna pressure him anew, and, ah, it corroded small dimes and quarters all over the place, but the bad ones were a couple of fifty-cents pieces. It's a big issue. And it's gonna be several billion dollars to dig all that crap up and fix it, and I gave that out way back when, the corrosion thing, to Miller, Patty up at *L.A. Times*. The *L.A. Times* is very interested in this thing, but they don't understand it. I haven't given them any more because I don't want to go any further 'cause Miller was handling it, and Miller didn't have time for his hearings, and didn't handle it right. But he did at least ask about it and he got, he was afraid I was wrong when I said we have no problem. The vertical supports, we don't have a

corrosion problem \_\_\_\_\_. Petrich says it takes [flash?] and he panics, didn't hit it for awhile and that's why I was sitting behind laughing at him, what are they gonna say? They lied. Under oath. "We don't have corrosion." And I'd known for years that they had. Now I figured semantics, I can move toward Canada, and told Petrich, \_\_\_\_\_ smart-asses, they gonna find these British semantically wasn't corrosion was something else, ah, and this is where they \_\_\_\_\_ hydrogen gas leaking in and screwed the system up. When he went home, two weeks later, and the *Insider*, first of all, the following week was a nice story in the *Insider* about them testifying and everybody thought everyone's fine, things aren't so bad after all. No big deal. Perfect hearing. And then two weeks later, *Insider* says, oh, guess what. We're having a problem with the vertical support on this and the Battelle Lab has studied it and they think they found a solution to it. It's a corrosion problem, corrosion problem. Battelle Lab has been on it for six months. It started after the *Exxon Valdez* and that was the corrosion problem on the underground that they were working on. So Patti Epler of the *Daily News* asked the head of the pipeline, on two occasions, sort of casually, while they were talking about this subject. Where he said it was only 400 spots and I told them it was 800. So she kept needling 'em. She told 'em she had a source that had 800, and he said well actually, yeah, but we haven't finalized the report on that yet. What does he know? So while she was at it she says: "What about the newer problem? How about vertical support?" No problem. Vertical support on this next time. No problem. Hell, but things are sinking. A fifty-cent piece breaks free, you're going to have a problem. But the vertical support is the integrity of that, if this is down six inches here and it stays that the correct place here, you got incredible stresses. And you have those earthquakes which they have up there, that thing will pop open, pour around there quick, OK. And they put this, the turbines for natural gas liquids either, there's a lot of reasons why this is a bad number. Now if you are looking straight down at the pipeline, here's the vertical supports and here's the saddle it's on, it's the pipeline, and it's just free moving. It could go this way or this way.

MR. BLACK: Um hm.

MR. HAMEL: Just from an earthquake, anything. But it can't go up and down. Well, if it can't go up and down, and you've got a situation where stress is developing because they're all dropping by inches, then you've got a bad problem. It turns out to give this report, about Battelle Lab, because they lied to Congress; they're about ready to get clobbered with it, they better get their people ready for it. They've done it every time I've come in from behind on them, I'd always read in the *Insider*, they'd cover their ass. So, I said, well, they've covered their ass, they must know that Battelle Lab. Lab's suggestion is going to work on this hydrogen gas that migrates out,

that they've learned how to cope with it. So I started treading water. Because they got rid of me on the subject. Because I don't have a source better than what I've got. My source says they are still waiting on the Battelle Lab, but if Battelle Lab thinks it's got answers to it, by the time it trickles to my guys, I have to live with it, so I didn't press Miller any more because I don't want him to go forward. I got enough things to do and I didn't want him to fight and then, sure it was a bad deal, but like you said, I didn't want to catch him today. So there's a bad deal, but we solved it. Well, it's not the same thing, then Miller's harping on something too much; too bad, they lied, they kept it quiet, but, you know, too late. Well, I found out last week that the Battelle Lab didn't succeed. And it's not working. And they don't have an answer. And they're going to have to replace all these suckers. It's like eight hundred million dollars. At the time here. But when they replace it, it's with the same old stuff. It ain't nothing new, they don't know how to solve the problem. They're even saying they think it's the Northern Lights that's causing it.

MR. BLACK: Northern Lights causing the gas?

MR. HAMEL: Causing the gas to migrate through metal. I don't understand how, but it is happening. This is, this is a sealed deal and hydrogen gas, somehow, from the atmosphere is migrating inside this tube and it gets into the, into the, what do you call it up here? The vanes up here and takes up the space of the liquid turned into gas that comes up here to be cooled. So it doesn't make it, doesn't get cooled and the, and the thing sinks.

MR. BLACK: The heat, it allows it to heat?

MR. HAMEL: Well you see --

MR. BLACK: Melts the permafrost.

MR. HAMEL: This is on a shoe down here inside the permafrost. Permafrost is 13 inches deep downward and icy here, and as, as the sun shines, which it does. It was 90-some degrees in Fairbanks the other day. The sun shines on this pipe and heats it up, and as the heat goes down the pipe, this liquid down here absorbs that heat and vaporizes and it goes to the top of the vanes, the radiators up there, ah, even though the sun is shining on it, the cool air in Alaska cools it off and it drops back down again. So it's just the heat. Now, what's happening is, hydrogen gas is migrating in. They don't know how. And it takes up that space. Now, I agree it's not their fault. It's happening. They never dreamed it would happen or they wouldn't have had the system. But the point is, many years ago I started monitoring this. This is a mental thing over here. It's not in the paper. I never even wrote it down. Many years ago. But I should

have been putting all this stuff in my computer, but I get my phone calls at 2 o'clock in the morning. I lay in bed and I hear, and I got a good memory.

MR. BLACK: But, if you're still getting phone calls you got to --

MR. HAMEL: But now I go up, I started it over a year ago. I go up and just put it, I have a memo pad in my computer.

MR. BLACK: Dictate it or something.

MR. HAMEL: Yeah. I just go up there and as they talk to me, I type it in. All of 'em think I record them. I never record, I just don't do it. And then one guy said, then why don't you record her when you talk to her the next time? And I said I just can't do that.

MR. BLACK: Why not?

MR. HAMEL: Just. Just not my style. Sorry, I don't want people to ever say, well, didn't you record me? Sometimes I did. Didn't you record me? I said I don't do that.

MR. BLACK: Well, gees, you should.

MR. HAMEL: Well, I don't.

MR. BLACK: It's just as good to take notes.

MR. HAMEL: Well for some people recording would be great, but then I just, I don't think I would like to be volunteering stuff to somebody and they record me, even though I don't mind on certain issue here the details, but on every conversation and everything, I just don't.

MR. BLACK: Yeah.

MR. HAMEL: I have a machine. I recorded my ex-wife. That I did do when I had divorce problems way the hell back. I had a machine, I would press the button, and record her anytime I wanted. But I never recorded anybody since then. I just can't. So, but I, you know, sometimes I do have the recorder, and I am trying to think who I was working with. That was business in my offices in Anchorage where we dictate stuff back and forth. My French guy in France. When he calls in and sends me some stuff. Some time we agree I'll record it and I can hear it. My French is good, but not that good.

MR. BLACK: Well, if you got somebody to type it, that's great.

MR. HAMEL: It's not the typing part. It's just not my style to record somebody and use it [?] later on or something. So here's what is important

here, I think. Ah, 5 years it's been since I heard about it. And just figure 5 years ago when they were making a billion dollars a year, and I heard the local idiot engineers of Alyeska were trying to solve this problem. I and I couldn't believe it, and I kept monitoring it. That they're still trying to solve this problem. You and I would have hired every company in the world because a million dollars here, they never, it's secret. They didn't want anybody to know about it and the guy that's feeding me is right up to here on it.

MR. BLACK: Could we get those reports? Where they talk about that internally?

MR. HAMEL: I don't have it.

MR. BLACK: Ok.

MR. HAMEL: That stuff is up in Anchorage. See, because of me now they have, ah, video on every file cabinet.

MR. BLACK: No?

MR. HAMEL: Oh yeah. Valdez, when they put it in I was a pretty proud peacock on that one. Because of me there's a building guard in Valdez. His job is to watch the videos of the file cabinets the minute the office closes every day. Before he'd come I had people I know in the file cabinets photocopying. Again, to show you an idea of what you're dealing with. The building, the building guards at Valdez --

MR. BLACK: You have enough people that they're photocopying the file cabinets for you? What's in the file cabinets?

MR. HAMEL: Way back when. You can't any more. What they couldn't pick out that they thought was interesting.

MR. BLACK: Well, they work out of the file cabinets, right?

MR. HAMEL: No. I had some one who worked on the file cabinets. I never asked her. She offered, I wouldn't do it. I mean, God, she worked in, it's her file cabinet. I've never gotten anything from her I didn't want. And we don't even talk to each other any more. I don't want to talk to anybody. When I can't control what happens to the people when they lose their job, this, widow, not a widow but a divorced gal with a couple of kids, I mean, I don't want anything from that woman, ever. I mean, it's her file cabinets. But I had something else going in her file cabinet. In the evening, it's the nighttime, I had a real deal going where I never asked them to be there, I started getting this incredible stuff. I said, how the hell are you getting it? I said, have you lost your mind? Look, I know what I'm doing. Have you lost your mind? I know what I'm doing. I can handle it.

MR. BLACK: About this stuff?

MR. HAMEL: No. That party was just going into the files and finding anything funny and that's where I got the data that the federal court judge had ruled on. It was that kind of stuff. This person was going into the old files, this is interesting, I'll bet Chuck would -- well, for every page of good stuff I got fifteen pages of worthless stuff. But it was so unbelievable in that this stuff, at the time, that's why they went to the federal court to try to get it from me, and that person's gone and people who worked there during the daytime, one of them was available. I just wouldn't do it. What I can't control, I don't want. I don't want somebody's life, not their life, 'cause you would get hurt, but you know, lose their job, and I haven't got the wherewithal to start taking care of somebody. For what? First of all, I wouldn't ask somebody to do that. Uh, but what they -- everything I get is because everybody so far has approached me. And that's -- now I'm getting more of it than I can handle. But they have this, they know about me through word of mouth, everybody's joking about who is, you must be his source, you must be his source, and they are all saying, no, he's got sources way up on top with the stuff he comes out with. But everybody laughs about it.

MR. BLACK: And that drives them crazy.

MR. HAMEL: Oh, it drives them nuts. But, on this one though, Wayne, look at this, it's unheard of that anybody would do this kind of thing, their own engineers futz around and I've been watching all that time. Now I got shortchanged recently when I thought that they'd solved it, and I said, well, I've delayed with it and too bad. But now I've found out a couple weeks ago that Battelle doesn't have the answer to it, too. Meanwhile, Petrich's traveling, Miller's traveling, I don't know what to do with them either, but they've committed perjury on it. I'm, uh, I think what I got to do on that one is do a memo just like I've done on this one here for you. And give you the testimony.

MR. BLACK: OK.

MR. HAMEL: See, I've earmarked testimony where I had them ask a question. It's only a couple of pages. And they flat-out lied. And if you see their own material afterwards, where they tell their own people they've got a corrosion problem, but they've got it solved, and now I'm telling you they don't, uh, then what can I do about it? Miller can, see, Miller normally would look at that and say, what, commit a perjury, sign it over to Justice, and I don't have to tell you what Justice does. But since there's a pollution problem, if that thing pops, you know, we got real problems, the pipeline. Everybody's

looking at [ANWR?] again and whatnot, and it just came to me this past week, I says, if I wasn't doing 50,000 other things, I'd put this together and where I wanted to give it to the employees, and then a copy to Miller, and Miller could make noise about it, Miller's running so fast that he almost needs, if we go do something, in the seventh forum, where we can bust this open, see, this is dangerous, then he could pick that and run around Congress and have a lot of fun where he's not him saying it again. If they lie to him, he's going to run around, you know, they lied to him. If somebody else says they lied to him, and of course I've got the *Los Angeles Times* wants this real bad and they don't understand it and they are waiting on me. They've offered to fly here to visit with me, they offered me in Alaska when I go, they really are after me on this guy. Uh, I've also told my guy, where the hell does he fit on this one, anyway? But, I made a mistake two days ago when my lawyer and my guys suggest we meet in L.A. for our final negotiations with Exxon on the property. And that somewhere in within three weeks we had a meeting somewhere and we had a three day window to make our deal and I just stuck it to them because I've got, that's why I've been busy all this time, the head of two oil companies, the Belgian and the French oil companies, that they're compete with over there. Both their chairman are friends of friends and they know me because of acquaintance-wise and they both offered to induce [?] Exxon for me.

MR. BLACK:

For the purpose of the settlement.

MR. HAMEL:

And I didn't even ask them. But our mutual, I used to have a joint company with them. I used to have a lot of fun, anyway, but I had a joint company with Shell, BP, [Alfa Torton?]. I had half, they had half. I had underground storage terminals juts out a lot wider, environmentally sound. So, anyway, I don't have to tell you I have been busy this week on that stuff, but --

MR. BLACK:

Exxon thinks these other guys might buy you?

MR. HAMEL:

Well, more than that. They, they, my lawyer, I have to send a memo to my lawyer on it and he's going to tell Exxon that these guys want to buy me. Or at least an opportunity to buy me. Therefore, when they open up their files to them, they are going to go absolutely bananas. But they have to come up with something when we disagree. So if we don't agree within the three-day window, then we assume or they said they could give it back to me and I could sell it to someone else; I mean, they want a piece of me at any price, my partners and I, so I am telling them, gee, uh, rather than wasting a lot of time here, because I know they were in a hurry to start the field now because of the crises, why don't they let, uh, talk to à la France and Petrofina, which is United States, American Petrofina but the Belgian parent, chairmen and whatnot, let them in and see what

they got so we'll save a lot of time. They'll go bananas. And I told the Frenchman and the Belgian, you know, I appreciate it, but I said, look, you would take another month and a half to decide and I want out of this thing so bad, I've got my life, I want to look at these other things. So, anyway, does he have a check? You know what is going to happen. Just throw our name in there and the whole thing, we'll be visible, we'll say we want it, etcetera, so if nothing else, they're gonna give me an extra penny for it and I says, yeah, and they said, well, do it. Goose them anyway. Why show Exxon we're around? I just love the both of them saying we're gonna show Exxon we're around anyway. That we know you, we're proud to know you, and that kind of stuff. These guys are really funny. Good friends of mine. So I am telling my lawyer, I don't want to meet no ape and negotiate, I says I got my computer system with Ken, the 380 over there, 386 or whatever, we do all our computer printouts of what we're trying to figure out with Exxon, in those three days with my expert in L.A., the attorney in Anchorage, and I will be here. We'll do it all interlaced because, I don't how, but Ken will do it for me, he'll just keep popping it out for me. I just didn't feel like going to L.A. Meanwhile, I'm, to show you where I'm at, I'm telling Ballantine I'm going to go to L.A. with you and we're going to get into this thing as soon as I get my, I had a loan coming from my partners in the Exxon thing, so I says as soon as I get that money, I says, I'll hop that plane with you and I'll meet you in L.A. and I'll meet your guys so that we, really they understand what we're working for and they don't have to waste time on something they don't need, I know what I need and just like this whole pipe system, he didn't understand it, why wouldn't they, and whatnot, and they had the meter and they were told they may not be using the meter. Ballantine calls me back: "You're right, the guy is using the same words as you, that they're scrap tanks and that's what they use in this setting," so I will go out there. Here I am, telling my lawyer, I don't want to be in L.A. because I don't like L.A. and I didn't want to hang around L.A., I says the cat is crazy, I'm telling the one I don't want to be there and I'm telling the other I'll be there.

MR. BLACK: Yeah.

MR. HAMEL: I think I'll end up going there in the next couple of weeks on that one. But I will put together a memo for him on this pipeline thing.

MR. BLACK: OK.

MR. HAMEL: The key is, no one understands how horrible it is, how stupid it is, and if there's any legal action to be taken, uh, I'm loaded, loaded for bear on it. The other thing that is happening is, Trustees for Alaska have been calling me because I asked them about Gibson, Dunn & Crutcher. So now, their president or director of Trustees for Alaska is going to be here September 9th, 10th and 11th.

MR. BLACK: Who is that?

MR. HAMEL: Randy Weiner.

MR. BLACK: You know where I'll be. No, you told me about him before. I'll be down in -

MR. HAMEL: Nothing. You wouldn't want to meet him anyway. Not important. I'm just going to be, I'm telling him that we're going to be doing some action, he don't know who you are, but I said I'm going to be doing some legal action up there. I don't want to do any legal action like that. Because they're thinking you are, damn, their board of directors are intertwined with the DEC commissioner. And, uh, what I want, when we do something, especially since they've been involved in ballast water and whatnot, when we do something, I want them to make some noise. I want, I want Bill Coughlin to be able to call them up the night, the day before and say, if this is happening, what do you think? That way this gives him the Sierra Club and that kind of stuff and those Trustees are in Alaska. It's all those groups together. And I want him to make a statement, Riki Ott is ready to make a statement, Rick Steiner, so it gives the press, you know, holy mackerel, how could this be going on? As opposed to the press, normally the press takes three days to find all this. Well, I want it all ready so they just - done this pass up there and they get it right away. I want the press, the Coughlin story to come out in the morning after we do something in federal court five o'clock at night, so his story is first, and then the rest of the press are reading that story when they sit down in a news conference with you and go run in the same people. They don't care, they just want their own. What I found that they want is, they don't care that they got whipped, I mean, who the hell reads the Washington, *Boston Globe* first of all? The second thing is, this happens to me all the time in the everyday news; second thing is, they don't have to quote the *Boston Globe* or the *Daily News*. Because they could reach the same people. All they want is their own quotes from these people. And that Washington story is the exact same story that they got the wording, the *Wall Street Journal* is perfect for that, and the wording is just, uh, if Rick Steiner says this, they'll get it and say something whole different. Their words, their quote from him. They'll get Riki to say something one word different and it's their quote. Same thing, with Trustees for Alaska, that's the way they function, and you could have, you could just give this thing out and give your names out, we give the phone numbers out and they write their own stories.

MR. BLACK: I like it.

MR. HAMEL: But this could be, this just came to me a couple of days ago, I was doing it in a newsletter because, you know, I want the perjury part.

And Miller, before Miller can sit down and do anything about the perjury part, he'd have to send it over to Justice, and Justice won't do anything for a year, and even then they don't want to do anything against Alyeska, but if we can find there's a legal pollution thing that this is dangerous, that this whole pipe, you know, if people didn't know about the Alyeska pipeline last week, they'll certainly know this week. There is so much discussion now about those damn foreigners, we got their, thank God we got this 25% oil coming from the pipeline, and we're going to get more from them, and you come out, and if we can find a legal part of this, and Petrich can help us if you can't, but I think you will find it before he will, that the legal action that we are going to take is like, please do something in a hurry about this because it could pollute, its going to pollute, its about to break and then let the national press go bananas over this because they went bananas over the corrosion thing. This could be a Hawaiian airline \_\_\_\_\_.

MR. BLACK: When do you think you are going to be ready with the newsletter? Just timing-wise? Two weeks? a month?

MR. HAMEL: Uh, the newsletter within a week.

MR. BLACK: Really?

MR. HAMEL: 10 days. I gotta do that before I leave on my trip. When I go on this trip, I've said it already. What I'm going to get from these guys, my money is going to be on that stuff and in the newsletter, all the stuff I want to do in the newsletter is could be down the road. The one thing I got to get out in the newsletter now before it gets covered on me is, Alyeska said nothing about this presidential task force, in their newsletter, first of all. Secondly, uh, the press made an issue of it there, so all of the first newsletter is going to be clean as the driven snow. Its going to be, hey, you know, *Outsider* is in here because --

MR. BLACK: This is going to come from you.

MR. HAMEL: From me. But it's going to be supplementing the *Insider* in somehow the *Insider* forgot to tell you of a presidential task force and here's, its all going to be out of the Congressional Record, I know they'll love it. I do a nice reprint of the Congressional Record and it's what Miller says. I don't say it. Miller's saying, the pipeline this, we're going to make sure it works and that kind of stuff, and there'll be an 800 number for the employees to call in and it'll be a hell of an audit and that's what I want, I want it, and my newsletter its going to say "finally, we've achieved something, there will be a health audit". Everybody is worried about this type of thing; they're all breathing this crap. They all know it, everybody is afraid to speak up or they'll lose their job. So, that one is as clean as the driven snow. Anything

I do after that, I got a 50-50 chance they will forgive me. Even if they find that I'm too harsh on the company because I've done this for the newsletter and the wording of that is very important. The gal who writes the stuff for me, I'm not good at writing but I know what I want and she cleans up my writings, she's been on a trip. She comes in Sunday. So I have to have it all ready and out within about a week to 10 days; Kathy's doing the addresses and whatnot for all the employees.

MR. BLACK: You know that I'm getting married on the 8th and I'll be out that week. Feel free to use Sherree because she's, if she's here, I don't know if she is going to be here yet, I told her she could take the week off, but if she's here, feel free to use her for busy stuff.

MR. HAMEL: OK.

MR. BLACK: Typing mailing lists,

MR. HAMEL: Well, the typing of the mailing lists, we can just start on that because Kathy was going to do that and I need her on the other stuff.

MR. BLACK: We'll do it.

MR. HAMEL: The typing of the mailing lists gives us what you want down the road, every employee of Alyeska.

MR. BLACK: This, we got a program that makes labels.

MR. HAMEL: That's what I've got.

MR. BLACK: OK, we got the same program.

MR. HAMEL: Uh, because you use the letter with it or, OK. What we have to, which is a problem with, is when I'm getting a list from different guys. I got my sources so everybody handwritten in stuff and whatnot. So there's a duplication and from what the shifts [?] and whatnot, but that will do it for us because it will alphabetize and then we'll just kick out what's in there, uh, and that's where I don't have a total list of my insiders, if I had all my insiders in there, then I'd know where they all are. I'm not worried about, and each guy told me, don't worry about giving it to everybody because something from you, they said the minute you give it, everybody will have it on the bulletin board. And anybody who doesn't have it will get it from other personnel. They said, coming from you, they always see it and everybody's going to wonder, why didn't I get it? Some are going to be hurt because they didn't get it. It's going to be funny. OK, that would help a lot. Sure,

MR. BLACK: Sure, she could do it. Or fax it to me, I've got two ladies sitting

there and I'll make a label and put a note, right, and express it to you. Whatever you want to do.

MR. HAMEL: OK. That will solve the problem. And I'll, on the vertical support thing, it may be, it may not work. But, you're going away the, in the nine days -

MR. BLACK: I'm not out of here yet. I'm giving a checklist to you here so we don't forget, I'll remember this too. Let us know if you want Vern to input the documents, here, I'll read this.

MR. HAMEL: This will take time. But I will do that. I'll give Vern documents to input and I have something to start with right now.

MR. BLACK: We'll be out of town from the 8th through the 16th and you said you are going to do more memos on the *Galveston*.

MR. HAMEL: I'm going to have memo on the *Galveston* before you leave.

MR. BLACK: OK, great.

MR. HAMEL: Well before, because I want you to give that to your attorneys.

MR. BLACK: OK.

MR. HAMEL: Because by the time that you find an attorney you can work on who doesn't have a conflict with these eight oil companies to start with -

MR. BLACK: That was difficult. I think I do have a couple. But the other thing you were going to do was fax the list and we'll make the labels. Sherree can either come pick it up or you can fax it to me. The best thing is to fax it to me in Miami and I can do it overnight. Fax me the mailing list and I'll alphabetize them and make the two sets of labels for you.

MR. HAMEL: Uh, that's, with the labels, I wasn't going to use labels. Because I wanted personal the letters to them, and then I realized for the newsletter, labels are OK. If it wasn't the newsletter, then I'd want them personal. But I want it in a form that we can change it over and make envelopes if we want. Is that the form you got?

MR. BLACK: Sure. Well, it's in memory. It's in this little, like, Rolodex system, so you say, labels,

MR. HAMEL: Labels or envelopes.

MR. BLACK: Oh, envelopes, right. That's the same. All you need is an envelope feeder.

MR. HAMEL: OK.

MR. BLACK: And you make this.

MR. HAMEL: And I got to do for you vertical support, because the thing about the vertical support, and I want to make sure you understand that part, if we come out and find a legal way to go twitch them on vertical support, it'll be a national deal, first of all, and it'll be highly critical of them but it'll open up a Pandora's box where the government will have to prosecute them and they'll prosecute them for perjury which is another, Miller wouldn't mind bitching if somebody else brings it up. But he's not going to, 'cause I know him, he is not going to start by playing it up that they committed perjury. He put that in, Petrich put that in, with all the semantics and whatnot, they asked him to do stuff and all he knew was how they answered it. But he hadn't seen the new stuff that they themselves say is corrosion. And that they themselves, I know now, they say they can't handle it. So, the way that one, Miller would have to be discreet, be careful, I mean, be nice. And give them a shot. And I don't want to give them any shot at this. I want to be able to, if we're lucky, we can find a legal way to say that it's not our fault about the perjury, we're just saying, hey, you've got a problem there. And you can't just sit there and toy with it. Bring in some experts, I mean, tell the nation there is a problem, someone else can help. But don't keep it secret. Then the perjury part, let the press do that. Let the press get it all out that these four brains said this; the *Wall Street Journal* probably was there covering that. She didn't understand it all but she said, what are you talking about, and I said, well, I'll give it to you in the package, you can have it. She said it'll be in the *Wall Street Journal*, I'm sure, Hamel, front page. You don't mind me. Remember, Alyeska put out a brochure against them.

MR. BLACK: Yeah, you told me.

MR. HAMEL: And they're looking for [inaudible] — And the *Los Angeles Times*, they got a hang up over L.A., uh, the ARCO company, they're anxious to do something because ARCO took them for a ride, really b.s.'d them. And they, if anything was going on in their shop and they had their way, they go after them. After Carlton.

MR. BLACK: You're going to be traveling the next couple of weeks anyway.

MR. HAMEL: Well, yeah, about that time. I'm waiting, I keep looking for Kelly. I'm going, the big holiday right now —

MR. BLACK: This Monday.

MR. HAMEL: So that's, everybody's finished traveling around here. So I see him and say, oh, you're leaving.

MR. BLACK: No, this is August. I'm leaving in September.

MR. HAMEL: OK, the holiday is over around the 5th or 6th. You're leaving the 8th. That's just about the time I will be up in, I'll do my traveling then.

MR. BLACK: OK, good. Yeah, I'll be out of pocket then.

MR. HAMEL: And, uh, I want to get my newsletter kind of ready and whatnot before then so that it doesn't have to go out but just, when I do this I'm going to come back for this, I'm going to ---, uh, uh, here, we want to hurry up and do something, the ship from Scotland is going up there because Congress is in session; we've got to do it while Congress is in session.

MR. BLACK: OK.

MR. HAMEL: After Congress goes out and everybody's got other things on their mind,

MR. BLACK: I think the only other thing I have, I think I have got some meeting around the 20th or the 21st, I'll have to check my personal calendar in Miami, but other than that meeting, uh --

MR. HAMEL: We're in good shape. Have fun.

MR. BLACK: Thank you, sir. Don't forget your documents.

MR. HAMEL: If you don't have fun, don't do it. -- When are you leaving?

MR. BLACK: Today, probably around, if I can find Sherree, probably around four, four-thirty, five. Something like that. I've got reservations on a four o'clock, try seven o'clock.

MR. HAMEL: If that stuff I want to send you, when I, if I send you the *Insiders* too, that would be, yeah, that's no rush, but when you can, start doing the *Insiders*.

MR. BLACK: Yeah.

MR. HAMEL: I don't know how that will scan them in, but, uh, it would have to be scanned. Scannings, I'm sure.

MR. BLACK: Yeah, just bring them in. You tell me when you are ready to start bringing over boxes and I'll have Vern or somebody here hook them up.

MR. HAMEL: When Vern is coming up next time, I should know ahead of time and I'll bring over some *Insiders* and then see how it works. I don't know if it will work or not. They're snapping photographs of me and

it takes a lot of work.

MR. BLACK: It'll work. They do some kind of OCR or some kind of --

MR. HAMEL: What we may do with the *Insider* and that's where we're, some of the data is not important, I can show them all this stuff, all you need is the first page and the back, last page.

MR. BLACK: That's why you got to sit with them. We don't need to know whose birthday it was; what we need to know is what they are saying.

MR. HAMEL: For example, every week they say how much oil they recovered, how much they took in, oil from the pipeline, how much they got out. I have a guy that works for Alyeska, you know something, he knows me very well, I can tell him, do it. But he deals with a partner of mine on a lot of things and the guy doesn't know that my partner is talking to me. The guy is funny, he walks into my partner's office -- another time he has come to see me and my partner who a big oil guy and he says, uh, I have a problem with Alyeska. The guy does a great job, by the way. But I'm in charge of emissions [?] and I'm pressuring the oil company give them the wrong amount . . . instrumentation -- and he says, these guys are so damn stupid, he said, I've discovered that the stakes? . . . --what comes in and what goes out are unrelated. And they're losing a lot in vapors and they got all these problems and somehow it's not working out right. And I figured out how to solve all that and I offered him that I will leave the company and do a service to him as a consultant. Input, you get into the right instrumentation and you have this more accurate. And he won't listen to me. In fact, he told me to forget about it. And then finally when it came to . . . oil tankers, I'm deep shit with him. -- Stop talking this way and forget about it. So he's talking to my friend, I don't understand why. So they sat down and my friend said to him, look, if they're taking in this here and they make -- a whole new refinery, and they had no meters other than that diagram I got, all the meters are disconnected, disconnected for years, so that it's all on guesswork. And at this end they use all this stuff for fuel over and away and then they load it on the ships and then naturally because the has liquids, they are losing a lot and they sell this extra oil that they bring in from the ballast water . . . and the guy is saying that they don't relate. There's something wrong. And my friend says, yeah. Anything that is missing doesn't show up on there somehow. He says, yeah, there is a temperature problem. Because he -- my friend about the temperature -- built the refineries all over the world for Exxon and he knows what he is doing. And what they are doing is what they take in and what they take out the other end, they cheat. And that's what this guy figured out. It's related that you realize what and how it's in trouble while you still have a job. They didn't even understand why they were cheating and how they were cheating because of all these losses and somehow everybody gets to pay down

in the end. And Alyeska comes out ahead. Sometimes, the child of the parent screws the parent, but this is what is going on here and this guy just tripped across it and they keep telling him to forget about it. But that's what this outfit is all about. -- And so I'm not going to do anything about that one but sometimes I keep telling myself, I get mad enough at these people, go pop that one out, too. They just cheat on everything now.

MR. BLACK: [inaudible] ... see ya.

MR. HAMEL: How is Diane? And when are we going to meet her?

MR. BLACK: She is fine, probably in September.

MR. HAMEL: September is in two months.

MR. BLACK: See ya, take care.

MR. HAMEL: [inaudible]

MR. BLACK: [inaudible] OK, help yourself. This one in here. What did you say?

MR. HAMEL: How are you? Uh, you ready? To go all out? Price? No, just the opposite, I said... [inaudible]... No, just the -- which is fine because he comes back... -- . OK. Whatever you want. Whatever you want. Right. Oh, Doug Baily, that's -- I had my note here. I got to fix the alarm to open up. Yeah, I'm supposed to talk to Doug Baily. I'll get him right now -- OK, I'll be over shortly. Bye-bye. Oh, how do you deal with long distance from here?

MR. BLACK: Dial nine, one, and the number. Calling Doug Baily?

MR. HAMEL: Yeah. At my age, how am I going to learn how to run my watch? I've had this for years with an alarm on it but I never remember. And on my way over here, I put the paper right here, and I don't even remember to call him up. And someday I'll learn to run the watch. I'm going to have a separate watch with this alarm thing. Damn. I'll get a call, I have his home number, I'm going to call him at home if he doesn't get up at 7:30. Hi, Chuck Hamel. Doug Baily, please, or Nancy.

MR. BLACK: Is he still the A.G. up there?

MR. HAMEL: Only until Sunday. Election. How are you? Is he in today? No, let me ask you, something strange is happening and I want to forewarn him for this happening. I'm told that a Terrence Baker intends to see, expects to see Doug today at 10:30. Is he an accountant? Oh, Jesus, pull him out of there. I got to warn him

about the guy. The guy is dangerous. Who is in there with him? I mean, does Terrence have anybody with him? Shit. The guy is already in with him.

MR. BLACK: Who is he?

MR. HAMEL: A crazy man. Terrence Baker. The guy with the tapes [?] who was trying to sell me the information on the *Exxon Valdez*.

MR. BLACK: Oh, yeah?

MR. HAMEL: Yeah. I found out that he got in to see Doug.

MR. BLACK: Is he nuts?

MR. HAMEL: Yeah. Doug saying that he doesn't want to be disturbed. She didn't say, but, but, the accountant [?] Yes. OK, when you can, uh, slip him a note and just say that Baker is mentally disturbed and kind of dangerous. OK? Thank you. He didn't come out, he said he wrote a note to her and said, uh, call you after, but I think I got the message.

MR. BLACK: Hold on a second, hold on. OK. That's fine. Hello. How are you doing? Good, uh, I am running a little late but come on back and we'll go from here to this, to the meeting. OK, bye.

MR. HAMEL: He told, he gave her a note, it said, uh, she handed him a note that said Chuck Hamel wants you to step out and talk to him. And he wrote her a note, I have to wait. I'll have to talk to him afterwards. But I got the message. In other words, I had told him before that the guy from the \_\_\_\_\_ is a fruit cake and so what the hell is he seeing him for? So, apparently, what he is doing, he's telling them, at the state level, the governor's office, that if they don't see him and deal with him, then he's got a reporter at the *Boston Globe* who's going to divulge that, who writes on Exxon stuff and whatnot, that's going to divulge that the state is sitting on this information.

MR. BLACK: So they've got to see him.

MR. HAMEL: So they're afraid of him.

MR. BLACK: You know who the guy is at the *Boston Globe*?

MR. HAMEL: Coughlin.

MR. BLACK: Coughlin.

MR. HAMEL: Who's never met the man. Doesn't know what he looks like. But when the guy was staying at my house for a couple of days, and

before when he first arrived, I didn't know he was crazy as a hoot owl, that I told him I was going to take him up to Boston and he brought [Roger George?] what you call it, who is head of the \_\_\_\_\_ commission on this, too, on the *Exxon Valdez* case, so he's there hurrying around Juneau saying, this guy on the *Boston Globe* is going to write a story about how the state is hiding this information and whatnot, so they're a little afraid of him, so they have to defend themselves.

MR. BLACK: Yeah. Kind of believable. Unbelievable [?] See ya.

MR. HAMEL: You bet.

MR. BLACK: Take care.

[Side 1 ends]

[Side 2 of audiotape begins]

[Laughter]

MR. BLACK: Rick, give me a call. Rick, give me a call, please. Hello. Hey, I'm getting a little squirrely. Is it on now? It's still on? OK. The previous was a meeting with Chuck Hamel. Now, he has the same checklist that I do. The purpose of what we were discussing was to try to get him to bring in stolen Alyeska documents and put them into our computer. Um, that is one of the things that hopefully he will do within the next week or so. A phone call, as you heard, that he made here was to the Attorney General's office about a man that he thought was mentally ill. The purpose of what we are doing now is attempting to continue to identify sources. He spoke briefly that he may be able to get more legal documents from inside Alyeska but he was not sure and that's the, uh, again, that's the thrust of what we're doing. If we can put other stolen engineering documents from Alyeska into our computer, in the meantime, we're for sure going to do that, also. The time is about 1:12, 1:13.

**2855**

**F2R416575**

Exhibit 32, August 30, 1990: Telephone conversations  
Prod. no.: Audio, F2R401000.

---

[First conversation (1 minute)]

MR. BLACK: Hello. Hi. It's Wayne.

MS. HAMEL: Hi.

MR. BLACK: Is he back yet?

MS. HAMEL: No, he isn't. He isn't. I expected him back any minute, but he hasn't come back yet.

MR. BLACK: Let me give you a number where I'm at, a pay phone? These phones are terrible. I'm at the airport. 684 -

MS. HAMEL: 684.

MR. BLACK: -- 9715.

MS. HAMEL: 9715. Okay.

MR. BLACK: Thank you.

MS. HAMEL: Very good.

MR. BLACK: Bye-bye.

MS. HAMEL: What time is your flight?

MR. BLACK: Oh, in about 25 minutes.

MS. HAMEL: All right.

MR. BLACK: Thanks.

MS. HAMEL: Thanks.

MR. BLACK: Bye.

MS. HAMEL: Bye-bye.

MR. BLACK: That was myself and Kathy Hamel. It's 20 'til 6 on the 30th.

[End of first conversation]

[Second conversation (4 minutes)]

MR. BLACK: 6:50.

MR. HAMEL: Where are you?

MR. BLACK: I'm at the airport, trying to get out of here.

MR. HAMEL: Oh, I guess, I called that number, I figured you were gone.

MR. BLACK: Yeah. I had to move. What's going on?

MR. HAMEL: Oh, \_\_\_\_\_ then some lady \_\_\_\_\_. What's happened to your flight?

MR. BLACK: Well, it's a typical American Airlines story. They're just, you know, doing their changing. Anyway, I'm sorry I missed your call.

MR. HAMEL: Hey, if you were doing all of that, you could have been here, because at this very moment \_\_\_\_\_.

MR. BLACK: Yeah.

MR. HAMEL: \_\_\_\_\_ hell of a lot better than the ones we get. Incidentally, did they give you a discount that night, I hope, at that restaurant?

MR. BLACK: Yes, they did.

MR. HAMEL: Okay. Because I told them, those crab cakes were real [?].

MR. BLACK: Yeah, they sure did.

MR. HAMEL: Okay, because they -- I'm going to try them again when they get better. The guy -- I called the manager the other day, and I said, "When you get better" -- he said, "We're better now." I said, "All right. Maybe next week I'll come check you out. But boy" -- anyway, I make better crab cakes, and that's what I'm having right now. Or about to.

Couple of things. I want to see how serious you are about this \_\_\_\_\_ matter.

MR. BLACK: Okay.

MR. HAMEL: I'm determining which union is running that ship that's already down there now.

MR. BLACK: Yeah.

MR. HAMEL: And I've got a guy at SIU -- \_\_\_\_\_ at the Seafarer's International Union. I've got a guy who will go down -- who is a ship's officer who has an able seaman's \_\_\_\_\_ enormous seniority, and he will go down there and ride the vessel, and then he will \_\_\_\_\_.

MR. BLACK: That's great.

MR. HAMEL: They can't deny him, because he has seniority.

MR. BLACK: Yeah.

MR. HAMEL: \_\_\_\_\_ work it all out later, but I wanted you to --

MR. BLACK: Okay, thank you.

MR. HAMEL: But if we have to fly him in from the West Coast it's double-time [?].

MR. BLACK: Yeah.

MR. HAMEL: And put him \_\_\_\_\_ the boat and fly him out to the other end.

MR. BLACK: All right. We're serious about it.

MR. HAMEL: I figured.

MR. BLACK: I'm ready.

MR. HAMEL: That's -- I can't do better than that. That ain't bad, is it?

MR. BLACK: That's in a silver platter.

MR. HAMEL: He will give a sworn affidavit to me \_\_\_\_\_. The only thing we need for you to think about in the meantime is even -- even he doesn't want the crew involved.

MR. BLACK: Okay.

MR. HAMEL: It's a five-year penalty for this, you know.

MR. BLACK: Yeah.

MR. HAMEL: These guys have a job. What you're going to like about it, is Exxon's refinery in Washington \_\_\_\_\_ this part, these people to do this. What it also proves is last week, when Exxon was raising hell in Alaska, that there's a difference between USA and the shipping.

department.

MR. BLACK: Yeah.

MR. HAMEL: We will then back into -- I will have available some affidavit, we need a Federal Judge, or whatever way we're going to do this, to \_\_\_\_\_ it. All these people are left alone, they'll all be hit with an interrogatory -- there's only about thirty guys -- they'll all be hit with interrogatories and they'll -- they'll speak up, as long as they get immunity.

MR. BLACK: All right. That's --

MR. HAMEL: Will talk about it.

MR. BLACK: Okay.

MR. HAMEL: That's one thing I have promised. I mean, none of these guys \_\_\_\_\_ ship's officers who had to do it or they wouldn't have jobs. None of them. And yet, apparently, every time it's done, by law, it should have been in the log book. And it's not, and they can't put it in the log book, because either way they get a \$10,000.00 fine, and if they don't do it, they lose their job. So you can figure that out.

MR. BLACK: Well, you know, if we -- if we crank it up, if we crank it up so we catch them doing it, we can't protect anybody on board.

MR. HAMEL: Oh, we have to.

MR. BLACK: Well --

MR. HAMEL: That's what we're going to talk about. We're going to go to a federal judge and work something out.

MR. BLACK: Okay.

MR. HAMEL: I like to be definite [?] about these things. Otherwise, we can't do it. We can't --

MR. BLACK: Okay.

MR. HAMEL: -- hurt these people.

MR. BLACK: Okay. Well, I'll -- I'll research that. I --

MR. HAMEL: You work that out.

MR. BLACK: Okay.

MR. HAMEL: Bye-bye.

MR. BLACK: All right. Thank you. Bye.

MR. BLACK: It's ten 'til 7. That was a call between myself and Hamel.

[End of second conversation. End of recorded material on Side A, although background noise is audible for some time. Side B is blank.]

○

F2R416580